THE NATIONAL ARCHIVES
LITTERA SCRIPTA MANET
FEDERAL REGISTER
OF THE UNITED STATES 1934

VOLUME 22 NUMBER 86

Washington, Friday, May 3, 1957

TITLE 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

PART 943—MILK IN NORTH TEXAS MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED

§ 943.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the North Texas marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions of said order, as amended, and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for such milk, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order, as amended, effective not later than May 1, 1957. Any delay beyond that date will seriously threaten the orderly marketing of milk in the North Texas marketing area.

The provisions of the said order are known to handlers. The decision of the Acting Secretary containing all amendment provisions of this order was issued April 29, 1957. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order, as amended, effective May 1, 1957, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See section 4 (c), Administrative Procedure Act, 5 U. S. C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order, amending the order, as amended, which is marketed within the North Texas marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of the order amending the order, as amended, is the only

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FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

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A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order, as amended, is approved or favored by at least two-thirds of the producers who, during the determined representative period (January 1957), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the North Texas marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, as follows:

Delete § 943.51 (a) (1) and (2) and substitute therefor the following:

(1) Divide the total receipts of producer milk under this part and Parts 949, 952, 982, and 998 of this chapter regulating the handling of milk in the North Texas, San Antonio, Austin-Waco, Central West Texas and Corpus Christi marketing areas, respectively, during the

second and third months preceding by the total gross volume of Class I milk (excluding interhandler transfers and any intermarket transfers that would result in the same milk being accounted for a second time as Class I milk) under such orders during the same months, multiply the result by 100 and round to the nearest whole number. The result shall be known as the Class I utilization percentage;

(2) Compute a "net deviation percentage" as follows:

(i) If the Class I utilization percentage is neither less than the minimum standard utilization percentage specified below nor in excess of the maximum standard utilization percentage specified below, the net deviation percentage is zero,

(ii) Any amount by which the Class I utilization percentage is less than the minimum standard utilization percentage specified below is a "minus net deviation percentage", and

(iii) Any amount by which the Class I utilization percentage exceeds the maximum standard utilization percentage specified below is the "plus net deviation percentage";

Month for which price applies	Months used in computation	Standard utilization percentages	
		Minimum	Maximum
January	October–November	105	107
February	November–December	109	111
March	December–January	111	113
April	January–February	111	113
May	February–March	113	115
June	March–April	120	122
July	April–May	124	126
August	May–June	121	123
September	June–July	117	119
October	July–August	108	110
November	August–September	103	105
December	September–October	103	105

(3) For a "minus net deviation percentage" the Class I price shall be increased and for a "plus net deviation percentage" the Class I price shall be decreased as follows:

(i) One cent for each such percentage point of net deviation;

(ii) One cent for the lesser of:

(*a*) Each such percentage point of net deviation, or

(*b*) Each percentage point of net deviation of like direction (plus or minus, with any net deviation of opposite direction considered to be zero for purposes of computations of this subparagraph) computed pursuant to subparagraph (2) of this paragraph for the month immediately preceding; plus

(iii) One cent for the least of:

(*a*) Each such percentage point of net deviation;

(*b*) Each percentage point of net deviation of like direction computed pursuant to subparagraph (2) of this paragraph for the month immediately preceding, or

(*c*) Each percentage point of net deviation of like direction computed pursuant to subparagraph (2) of this paragraph for the second preceding month;

(4) For the months of May and June 1957, any minus net deviation resulting from the supply-demand adjustment applicable to the price for Class I milk shall be limited to not more than 12 cents.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Issued at Washington, D. C., this 30th day of April 1957, to be effective on and after May 1, 1957.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-3631; Filed, May 2, 1957; 8:51 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Export Programs

[Announcement CN-EX-3 (Revision 1), Amdt. 1]

PART 482—COTTON PRODUCTS EXPORT PROGRAM

Correction

In F. R. Document 57-3503, appearing in the issue for Tuesday, April 30, 1957, at page 3039, in line 4 of § 482.9 (b), the reference to "July 21" should read "July 31".

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6657]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

SAMUEL BARTH ET AL.

Subpart—*Advertising falsely or misleadingly:* § 13.30 *Composition of goods:* Fur Products Labeling Act; § 13.73 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.155 *Prices:* Usual as reduced, special, etc.; § 13.285 *Value.* Subpart—*Invoicing products falsely:* § 13.1108 *Invoicing products falsely:* Fur Products Labeling Act. Subpart—*Misbranding or mislabeling:* § 13.1190 *Composition:* Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.1280 *Price.* Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 13.1852 *Formal regulatory and statutory requirements:* Fur Products Labeling Act. Subpart—*Using misleading name*—Goods: § 13.2280 *Composition:* Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U. S. C. 45, 69f) [Cease and desist order, Morris Miller, New York, N. Y., Docket 6657, Apr. 20, 1957]

In the Matter of Samuel Barth, an Individual, Doing Business as American Furriers; Bernard Axelrod, an Individual, Doing Business as Bernard Axelrod & Company; and Morris Miller, an Individual

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a furrier in New York City with violating the Fur Products Labeling Act by preticketing fur products with fictitious prices, deceptively naming the animal producing the fur in certain products, and otherwise failing to conform to labeling requirements; by invoicing products falsely; in advertising which failed to disclose the name of animals producing the fur and misrepresented prices, savings, and values; and by failing to maintain adequate records as a basis for such pricing claims.

Following entry of an agreement for consent order, the hearing examiner made his initial decision and order to cease and desist which became on April 20 the decision of the Commission.

The proceeding as to two other respondents named in the complaint was disposed of by a consent order dated April 6, 1957, 22 F. R. 2837.

The order to cease and desist is as follows:

It is ordered, That respondent Morris Miller, an individual, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising or offering for sale, or the transportation or distribution of any fur product in commerce, or in connection with the sale, advertising, offering for sale, transportation or distribution of fur products which have been made in whole or in part of fur which has been shipped and received in commerce, as "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

1. Falsely or deceptively labeling or otherwise identifying any such products as to the name or names of the animal or animals that produced the fur from which such product was manufactured;

2. Failing to affix labels to fur products showing:

a. The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

b. That the fur product contains or is composed of used fur, when such is the fact;

c. That the fur product contains or is composed of bleached, dyed, or artificially colored fur, when such is the fact;

d. That the fur product is composed in whole or in substantial part of paws, tails, bellies or waste fur, when such is the fact;

e. The name, or other identification issued and registered by the Commission, of one or more persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce;

f. The name of the country of origin of any imported furs used in the fur product.

3. Setting forth on labels attached to fur products:

a. Non-required information mingled with required information;

b. Required information in handwriting;

c. Prices represented to be the regular or usual price of any fur products which are amounts in excess of the prices at which the respondent has usually or customarily sold such fur products in the recent regular course of his business.

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices to purchasers of fur products showing:

a. The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

b. That the fur product contains or is composed of used fur, when such is the fact;

c. That the fur product contains or is composed of bleached, dyed, or artificially colored fur, when such is the fact;

d. That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

e. The name and address of the person issuing such invoices;

f. The name of the country of origin of any imported furs contained in the fur product.

2. Setting forth required information in abbreviated form.

C. Falsely or deceptively advertising fur products through the use of any advertisement, public announcement, or notice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products, and which:

1. Fails to disclose the name or names of the animal or animals producing the fur or furs contained in the fur products as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations.

2. Represents, directly or by implication:

a. That the regular or usual price of any fur product is any amount which is in excess of the price at which the respondent has usually and customarily sold such products in the recent regular course of his business.

b. The value of fur products, when such claims and representations are not true in fact.

3. Makes use of comparative prices or percentage savings claims unless such compared prices or claims are based upon the current market value of the fur product or upon a bona fide compared price at a designated time.

4. Makes price claims and representations of the type referred to in subparagraphs a and b and paragraph 3 above, unless there is maintained by respondent full and adequate records disclosing the facts upon which such claims or representations are based.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondent Morris Miller, an individual, shall within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist.

Issued: April 19, 1957.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F. R. Doc. 57-3628; Filed, May 2, 1957; 8:50 a. m.]

[Docket 6695]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

VENDIT, INC., AND SUSAN D. CLARK

Subpart—*Advertising falsely or misleadingly:* § 13.50 *Dealer or seller assistance;* § 13.60 *Earnings and profits;* § 13.105 *Individual's special selection or situation;* § 13.115 *Jobs and employment service;* § 13.135 *Nature:* Product or service; § 13.143 *Opportunities;* § 13.205 *Scientific or other relevant facts;* § 13.225 *Services;* § 13.260 *Terms and conditions.* Subpart—*Offering unfair, improper and deceptive inducements to purchase or deal:* § 13.1935 *Earnings and profits;* § 13.1985 *Individual's special selection or situation;* § 13.1995 *Job guarantee and employment;* § 13.2015 *Opportunities in product or service;* § 13.2063 *Scientific or other relevant facts;* § 13.2080 *Terms and conditions.*

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Vendit, Inc., et al., Cleveland, Ohio, Docket 6695, Apr. 20, 1957]

In the Matter of Vendit, Inc., a Corporation, and Susan D. Clark, Individually and as an Officer of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a company in Cleveland, Ohio, engaged in the promotion, sale, and distribution of vending machines and vending machine supplies, with representing falsely in "bait" advertisements placed in the "Help Wanted" sections of newspapers to obtain leads to purchasers, that employment was offered to selected persons with opportunities for exceptional profits, complete safety of money invested, respondents' assistance in locating vending machines, etc.

Following agreement between the parties for entry of a consent order, the hearing examiner made his initial decision and order to cease and desist which became on April 20 the decision of the Commission.

Said order to cease and desist is as follows:

It is ordered, That respondents Vendit, Inc., a corporation, and its officers, and Susan D. Clark, individually and as an officer of said corporation, and their agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of vending machines or vending machine supplies in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication, that:

1. Employment is offered by respondents when, in fact, the real purpose of the advertisement is to obtain purchasers for respondents' products.

2. Their offer is made to selected persons.

3. The earnings or profits derived from the operation of respondents' machines are any amounts in excess of those which have been, in fact, customarily earned by operators of their machines.

4. It is necessary for a person to have a car or to furnish references in order to qualify for respondents' offer.

5. The amount invested in respondents' products is secured either by inventory or otherwise.

6. The purchasers of respondents' products cannot lose their investments.

7. The operation of respondents' machines provides the safest or surest business on earth or misrepresenting in any other manner the safety or surety of said business.

8. The machines sold by respondent will empty twice a week or within any other period of time that is not usual or customary.

9. The profits derived from the operation of respondents' machines provide financial assurance for old persons or those suffering from permanent or partial disability.

10. Respondents or their sales representatives obtain or assist in obtaining, satisfactory or other locations for machines purchased, unless such is the fact.

11. Respondents will send a list of specific locations where the machines purchased may be placed, unless such is the fact.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: April 19, 1957.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F. R. Doc. 57-3629; Filed, May 2, 1957; 8:51 a. m.]

[Docket 6699]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

PITTSBURGH PLATE GLASS CO.

Subpart—*Discriminating in price under section 2, Clayton Act, as amended*—Price discrimination under 2 (a): § 13.715 *Charges and price differentials.*

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 2, 38 Stat. 730, as amended; 15 U. S. C. 13) [Cease and desist order, Pittsburgh Plate Glass Co., Pittsburgh, Pa., Docket 6699, Apr. 19, 1957]

This proceeding was heard by a hearing examiner on the complaint of the

Commission charging one of the leading manufacturers of automotive windshields and rear windows made with safety glass, with discriminating in price between competing purchasers in violation of section 2 (a) of the Clayton Act as amended, by such practices as charging the Ford Motor Co. from 32 percent to 48 percent less for automotive safety glass than it charged glass distributors, and from about 59 percent to 67 percent less than it charged glass dealers.

Following entry of a consent order, the hearing examiner made his initial decision and order to cease and desist which became on April 19 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That the respondent Pittsburgh Plate Glass Company, a corporation, and its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the sale for replacement purposes of automotive safety glass, consisting of windshields, sidelights and backlights, in commerce, as "commerce" is defined in the Clayton Act, do forthwith cease and desist from discriminating in the price of such products of like grade and quality:

By selling to the Ford Motor Company or any other manufacturer of automotive vehicles at net prices which are lower than the net prices paid by any other purchaser taking delivery from respondent's factories or service depots where such purchaser in fact competes with said manufacturer in the resale and distribution of such glass.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: April 19, 1957.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F. R. Doc. 57-3606; Filed, May 2, 1957; 8:46 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 54350]

PART 6—AIR COMMERCE REGULATIONS

INTERNATIONAL AIRPORTS

The Port O'Minot Airport, Minot, North Dakota, is hereby designated as an international airport (airport of entry) for civil aircraft and merchandise carried thereon arriving from places outside the United States, as defined in section 9 (b) of the Air Commerce Act of 1926 (49 U. S. C. 179 (b)), effective on the date of publication of this Treasury decision in the FEDERAL REGISTER.

The list of international airports in § 6.13 is hereby amended to include the name and location of this airport.

Notice of the proposed designation of the Port O'Minot Airport as an international airport was published in the FEDERAL REGISTER of March 12, 1957 (22 F. R. 1589), pursuant to the provisions of the Administrative Procedure Act (5 U. S. C. 1003).

The designation of this airport is based on a determination that a sufficient need exists to justify such action and the designation is made for the purpose of providing for convenient compliance with customs requirements. For these reasons, it is found desirable to make the international airport available to the public as soon as possible and to dispense with the delayed effective date provision of section 4 (c) of the Administrative Procedure Act (5 U. S. C. 1003 (c)).

(R. S. 161, sec. 7, 44 Stat. 572, as amended; 5 U. S. C. 22, 49 U. S. C. 177)

[SEAL] RALPH KELLY, *Commissioner of Customs.*

Approved: April 29, 1957.

DAVID KENDALL, *Acting Secretary of the Treasury.*

[F. R. Doc. 57-3611; Filed, May 2, 1957; 8:47 a. m.]

TITLE 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

Subchapter F—Procedure and Administration

[T. D. 6232]

PART 301—PROCEDURE AND ADMINISTRATION

MISCELLANEOUS PROVISIONS

On February 1, 1957, notice of proposed rule making regarding the regulations under chapter 77 of the Internal Revenue Code of 1954, relating to miscellaneous provisions, was published in the FEDERAL REGISTER (22 F. R. 670). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the regulations as so published are hereby adopted, subject to the changes set forth below. Except as otherwise specifically provided therein, such regulations shall be effective on and after August 17, 1954, and shall apply with respect to any tax imposed by the Internal Revenue Code of 1954 or a prior internal revenue law.

PARAGRAPH 1. Section 301.7502–1 is changed in the following respects:

(A) The first sentence of paragraph (c) (1) (ii) is revised to read as follows: "The document must be deposited within the prescribed time in the mail in the United States with sufficient postage prepaid."

(B) The following sentence is inserted immediately after the first sentence of paragraph (c) (1) (iii) (*b*): "However, in case the document is received after the time when a document so mailed and so postmarked by the United States Post Office would ordinarily be received, such document will be treated as having been received at the time when a document so mailed and so postmarked would ordinarily be received, if the person who is required to file the document establishes (*i*) that it was actually deposited in the mail before the last collection of the mail from the place of deposit which was postmarked (except for the metered mail) by the United States Post Office on or before the last date, or the last day of the period, prescribed for filing the document, (*ii*) that the delay in receiving the document was due to a delay in the transmission of the mail, and (*iii*) the cause of such delay."

PAR. 2. Section 301.7510–1 is revised to read as follows:

§ 301.7510–1 *Exemption from tax of domestic goods purchased for the United States.* For any regulations under section 7510, see the applicable regulations with respect to the various taxes.

[SEAL] RUSSELL C. HARRINGTON, *Commissioner of Internal Revenue.*

Approved: April 30, 1957.

DAN THROOP SMITH, *Deputy to the Secretary.*

The following regulations relating to miscellaneous provisions are prescribed under chapter 77 of the Internal Revenue Code of 1954, and except as otherwise specifically provided therein are effective on and after August 17, 1954, and are applicable with respect to any tax imposed by the Internal Revenue Code of 1954 or a prior internal revenue law.

MISCELLANEOUS PROVISIONS

Sec.

AUTHORITY: §§ 301.7501 to 301.7511 and 301.7851 issued under sec. 7805, 68A Stat. 917; 26 U. S. C. 7805.

MISCELLANEOUS PROVISIONS

§ 301.7501 *Statutory provisions; liability for taxes withheld or collected.*

SEC. 7501. *Liability for taxes withheld or collected*—(a) *General rule.* Whenever any person is required to collect or withhold any internal revenue tax from any other person and to pay over such tax to the United States, the amount of tax so collected or withheld shall be held to be a special fund in trust for the United States. The amount of such fund shall be assessed, collected, and paid in the same manner and subject to the same provisions and limitations (including penalties) as are applicable with respect to the taxes from which such fund arose.

(b) *Penalties.* For penalties applicable to violations of this section, see sections 6672 and 7202.

§ 301.7502 *Statutory provisions; timely mailing treated as timely filing.*

SEC. 7502. *Timely mailing treated as timely filing*—(a) *General rule.* If any claim, statement, or other document (other than a return or other document required under authority of chapter 61), required to be filed within a prescribed period or on or before a prescribed date under authority of any provision of the internal revenue laws is, after such period or such date, delivered by United States mail to the agency, officer, or office with which such claim, statement, or other document is required to be filed, the date of the United States postmark stamped on the cover in which such claim, statement, or other document is mailed shall be deemed to be the date of delivery. This subsection shall apply only if the postmark date falls within the prescribed period or on or before the prescribed date for the filing of the claim, statement, or other document, determined with regard to any extension granted for such filing, and only if the claim, statement, or other document was, within the prescribed time, deposited in the mail in the United States in an envelope or other appropriate wrapper, postage prepaid, properly addressed to the agency, office, or officer with which the claim, statement, or other document is required to be filed.

(b) *Stamp machine.* This section shall apply in the case of postmarks not made by the United States Post Office only if and to the extent provided by regulations prescribed by the Secretary or his delegate.

(c) *Registered mail.* If any such claim, statement, or other document is sent by United States registered mail, such registration shall be prima facie evidence that the claim, statement, or other document was delivered to the agency, office, or officer to which addressed, and the date of registration shall be deemed the postmark date.

(d) *Exception.* This section shall not apply with respect to the filing of a document in any court other than the Tax Court.

§ 301.7502–1 *Timely mailing treated as timely filing*—(a) *General rule.* Section 7502 provides that, if the requirements of such section are met, a document shall be deemed to be filed on the date of the postmark stamped on the cover in which such document was mailed. Thus, if the cover containing such document bears a timely postmark, the document will be considered filed timely although it is received after the last date, or the last day of the period, prescribed for filing such document. Section 7502 does not apply to the payment of any tax. Section 7502 is applicable only to those documents which come within the definition of such term provided by paragraph (b) of this section and only if the document is mailed in accordance with paragraph (c) of this section and is delivered in accordance with paragraph (d) of this section.

(b) *Document defined.* (1) The term "document", as used in this section, means any claim, statement, or other document required to be filed within a prescribed period or on or before a prescribed date under authority of any provision of the internal revenue laws, except as provided in the following subdivisions of this subparagraph:

(i) The term does not include any return required under authority of any internal revenue law or any other document required under authority of chapter 61. Thus, for example, such term does not include the income tax returns required by section 6012, the declarations of estimated income tax by individuals and corporations required by sections 6015 and 6016, and the estate tax and gift tax returns required by sections 6018 and 6019. Nor does the term include any return required under authority of subtitle E, relating to alcohol, tobacco, and certain other excise taxes.

(ii) The term does not include any document filed in any court other than the Tax Court, but the term does include any document filed with the Tax Court, including a petition for redetermination of a deficiency and a petition for review of a decision of the Tax Court.

(iii) The term does not include any document which is required to be filed with a bank or other depositary pursuant to section 6302 (c).

(2) A return may contain, or have attached to it, a statement which sets forth an election under the internal revenue laws. In such a case, section 7502 is applicable to the statement if the conditions of such section are met, although it does not apply to the return. Moreover, in the case of certain taxes, a return may constitute a claim for refund or credit. In such a case, section 7502 is applicable to the claim for refund or credit if the conditions of such section are met, irrespective of whether the claim is also a return.

(c) *Mailing requirements.* (1) Section 7502 is not applicable unless the document is mailed in accordance with the following requirements:

(i) The document must be contained in an envelope or other appropriate wrapper, properly addressed to the agency, officer, or office with which the document is required to be filed.

(ii) The document must be deposited within the prescribed time in the mail in the United States with sufficient postage prepaid. For this purpose, a document is deposited in the mail in the United States when it is deposited with the domestic mail service of the United States Post Office. The domestic mail service of the United States Post Office, as defined by the postal regulations, includes mail transmitted within, among, and between the United States, its Territories and possessions, and Army-Air Force (APO) and Navy (FPO) post offices (see 39 CFR 2.1). Section 7502 does not apply to any document which is deposited with the mail service of any other country.

(iii) (*a*) If the postmark on the envelope or wrapper is made by the United States Post Office, such postmark must bear a date on or before the last date, or the last day of the period, prescribed for filing the document. If the postmark does not bear a date on or before the last date, or the last day of the period, prescribed for filing the document, the document will be considered not to be filed timely, regardless of when the document is deposited in the mail. Accordingly, the sender who relies upon the applicability of section 7502 assumes the risk that the postmark will bear a date on or before the last date, or the last day of the period, prescribed for filing the document, but see subparagraph (2) of this paragraph with respect to the use of registered mail to avoid this risk. If the postmark on the envelope or wrapper is not legible, the person who is required to file the document has the burden of proving the time when the postmark was made.

(*b*) If the postmark on the envelope or wrapper is made other than by the United States Post Office, (*1*) the postmark so made must bear a date on or before the last date, or the last day of the period, prescribed for filing the document, and (*2*) the document must be received by the agency, officer, or office with which it is required to be filed not later than the time when a document contained in an envelope or other appropriate wrapper which is properly addressed and mailed and sent by the same class of mail would ordinarily be received if it were postmarked at the same point of origin by the United States Post Office on the last date, or the last day of the period, prescribed for filing the document. However, in case the document is received after the time when a document so mailed and so postmarked by the United States Post Office would ordinarily be received, such document will be treated as having been received at the time when a document so mailed and so postmarked would ordinarily be received, if the person who is required to file the document establishes (*i*) that it was actually deposited in the mail before the last collection of the mail from the place of deposit which was postmarked (except for the metered mail) by the United States Post Office on or before the last date, or the last day of the period, prescribed for filing the document, (*ii*) that the delay in receiving the document was due to a delay in the

transmisssion of the mail, and (*iii*) the cause of such delay. If the envelope has a postmark made by the United States Post Office in addition to the postmark not so made, the postmark which was not made by the United States Post Office shall be disregarded, and whether the envelope was mailed in accordance with this subdivision shall be determined solely by applying the rule of (*a*) of this subdivision.

(2) If the document is sent by United States registered mail, the date of registration of the document shall be treated as the postmark date. Accordingly, the risk that the document will not be postmarked on the day that it is deposited in the mail may be overcome by the use of registered mail.

(3) As used in this section, the term "the last date, or the last day of the period, prescribed for filing the document" includes any extension of time granted for such filing. When the last date, or the last day of the period, prescribed for filing the document falls on a Saturday, Sunday or legal holiday, section 7503 is also applicable, so that, in applying the rules of this paragraph, the next succeeding day which is not a Saturday, Sunday, or legal holiday shall be treated as the last date, or the last day of the period, prescribed for filing the document.

(d) *Delivery.* (1) Section 7502 is not applicable unless the document is delivered by United States mail to the agency, officer, or office with which it is required to be filed. However, if the document is sent by registered mail, proof that the document was properly registered and that the envelope or wrapper was properly addressed to such agency, officer, or office shall constitute prima facie evidence that the document was delivered to such agency, officer, or office.

(2) Section 7502 is applicable only when the document is delivered after the last date, or the last day of the period, prescribed for filing the document. However, section 7502 is also applicable when a claim for credit or refund is delivered after the last day of the period specified in section 322 (b) (2) of the Internal Revenue Code of 1939 or in any other corresponding provision of law relating to the limit on the amount of credit or refund that is allowable. For example, taxpayer A was required to file his income tax return for 1953 on or before March 15, 1954, but he secured an extension until June 15, 1954 to file such return. His return was filed on June 15, 1954, but no tax was paid at such time because the tax liability disclosed by the return had been completely satisfied by the income tax that had been withheld on his wages and by the payments of estimated tax. On March 14, 1957, A mailed in accordance with the requirements of this section a claim for refund of a portion of his 1953 tax. The envelope containing the claim was postmarked on such day, but it was not delivered to the district director's office until March 18, 1957. Under section 322 (b) (1) of the Internal Revenue Code of 1939, A's claim for refund is timely if filed within three years from June 15, 1954. However, as a result of the limitation of section 322 (b) (2) of the 1939 Code, if his claim is not filed within three years after March 15, 1954, the date on which he is deemed under section 322 (e) of the 1939 Code to have paid his 1953 tax, he is not entitled to any refund. Thus, since A's claim for refund was mailed in accordance with the requirements of this section and was delivered after the last day of the period specified in such section 322 (b) (2), section 7502 is applicable, and the claim is deemed to have been filed on March 14, 1957.

(e) *Applicability.* Section 7502 and this section are applicable with respect to any document which is mailed and delivered in accordance with the requirements of this section and which is mailed in an envelope having a postmark bearing a date after August 16, 1954, irrespective of whether the postmark is made by the United States Post Office, and irrespective of whether the tax to which the document pertains is imposed by the Internal Revenue Code of 1954 or a prior internal revenue law.

§ 301.7503 *Statutory provisions; time for performance of acts where last day falls on Saturday, Sunday, or legal holiday.*

SEC. 7503. *Time for performance of acts where last day falls on Saturday, Sunday, or legal holiday.* When the last day prescribed under authority of the internal revenue laws for performing any act falls on Saturday, Sunday, or a legal holiday, the performance of such act shall be considered timely if it is performed on the next succeeding day which is not a Saturday, Sunday, or a legal holiday. For purposes of this section, the last day for the performance of any act shall be determined by including any authorized extension of time; the term "legal holiday" means a legal holiday in the District of Columbia; and in the case of any return, statement, or other document required to be filed, or any other act required under authority of the internal revenue laws to be performed, at any office of the Secretary or his delegate, or at any other office of the United States or any agency thereof, located outside the District of Columbia but within an internal revenue district, the term "legal holiday" also means a Statewide legal holiday in the State where such office is located.

§ 301.7503–1 *Time for performance of acts where last day falls on Saturday, Sunday, or legal holiday*—(a) *In general.* Section 7503 provides that when the last day prescribed under authority of any internal revenue law for the performance of any act falls on a Saturday, Sunday, or legal holiday, such act shall be considered performed timely if performed on the next succeeding day which is not a Saturday, Sunday, or legal holiday. For this purpose, any authorized extension of time shall be included in determining the last day for performance of any act. Section 7503 is applicable only in case an act is required under authority of any internal revenue law to be performed on or before a prescribed date or within a prescribed period. For example, if the 2-year period allowed by section 6532 (a) (1) to bring a suit for refund of any internal revenue tax expires on Thursday, November 22, 1956 (Thanksgiving Day), the suit will be timely if filed on Friday, November 23, 1956, in the Court of Claims, or in a district court. Section 7503 applies to acts to be performed by the taxpayer (such as, the filing of any return of, and the payment of, any income, estate, or gift tax; the filing of a petition with the Tax Court for redetermination of a deficiency, or for review of a decision rendered by such Court; the filing of a claim for credit or refund of any tax) and acts to be performed by the Commissioner or a district director (such as, the giving of any notice with respect to, or making any demand for the payment of, any tax; the assessment or collection of any tax).

(b) *Legal holidays.* (1) For the purpose of section 7503, the term "legal holiday" includes the legal holidays in the District of Columbia. Such legal holidays are—

(i) January 1, New Year's Day (D. C. Code, Title 28, sec. 616),

(ii) January 20, when such day is Inauguration Day (D. C. Code, Title 28, sec. 616),

(iii) February 22, Washington's Birthday (D. C. Code, Title 28, sec. 616),

(iv) May 30, Memorial Day (D. C. Code, Title 28, sec. 616),

(v) July 4, Independence Day (D. C. Code, Title 28, sec. 616),

(vi) First Monday in September, Labor Day (5 U. S. C. 87),

(vii) November 11, Veterans' Day (5 U. S. C. 87a, as amended),

(viii) Fourth Thursday in November, Thanksgiving Day (5 U. S. C. 87b), and

(ix) December 25, Christmas Day (D. C. Code Title 28, sec. 616).

When a legal holiday in the District of Columbia falls on a Sunday, the next day is a legal holiday in the District of Columbia (see D. C. Code, Title 28, sec. 616).

(2) In the case of any return, statement, or other document required to be filed, or any other act required under the authority of the internal revenue laws to be performed, at any office of the Internal Revenue Service, or any other office or agency of the United States, located outside the District of Columbia, but within an internal revenue district, the term "legal holiday" includes, in addition to the legal holidays enumerated in subparagraph (1) of this paragraph, any State-wide legal holiday of the State where the act is required to be performed. If the act is performed in accordance with law at an office of the Internal Revenue Service or any other office or agency of the United States located in a Territory or possession of the United States, the term "legal holiday" includes, in addition to the legal holidays described in subparagraph (1) of this paragraph, any legal holiday which is recognized throughout the Territory or possession in which the office is located. Accordingly, if a resident of Alaska files his return with the District Director at Seattle, Washington, the extension provided by section 7503 is applicable in case the last day for filing the return is a legal holiday in the District of Columbia or in the State of Washington. However, if he files his return with an office of the Internal Revenue Service located in Alaska, such extension is applicable in case the last day for filing the return is a legal

holiday in the District of Columbia or in Alaska.

(c) *Applicability.* Section 7503 and this section are applicable in any case when the last day prescribed under authority of any internal revenue law for the performance of any act falls on a Saturday, Sunday, or legal holiday, which occurs after August 16, 1954, irrespective of whether the tax in connection with which the act is required to be performed is imposed by this title or a prior internal revenue law.

§ 301.7504 *Statutory provisions; fractional parts of a dollar.*

SEC. 7504. *Fractional parts of a dollar.* The Secretary or his delegate may by regulations provide that in the allowance of any amount as a credit or refund, or in the collection of any amount as a deficiency or underpayment, of any tax imposed by this title, a fractional part of a dollar shall be disregarded, unless it amounts to 50 cents or more, in which case it shall be increased to 1 dollar.

§ 301.7505 *Statutory provisions; sale of personal property purchased by the United States.*

SEC. 7505. *Sale of personal property purchased by the United States*—(a) *Sale.* Any personal property purchased by the United States under the authority of section 6335 (e) (relating to purchase for the account of the United States of property sold under levy) may be sold by the Secretary or his delegate in accordance with such regulations as may be prescribed by the Secretary or his delegate.

(b) *Accounting.* In case of the resale of such property, the proceeds of the sale shall be paid into the Treasury as internal revenue collections, and there shall be rendered a distinct account of all charges incurred in such sales.

§ 301.7505–1 *Sale of personal property purchased by the United States*—(a) *Sale*—(1) *In general.* Any personal property (except bonds, notes, checks, and other securities) purchased by the United States under the authority of section 6335 (e) (relating to purchase for the account of the United States of property sold under levy) or the corresponding provisions of prior law may be sold by the district director who purchased such property for the United States. United States Savings Bonds shall not be sold by the district director but shall be transferred to the Division of Loans and Currency, Treasury Department, for redemption. Other bonds, notes, checks, and other securities shall be disposed of in accordance with instructions issued by the Commissioner.

(2) *Time, place, manner, and terms of sale.* The time, place, manner, and terms of sale of personal property purchased for the United States shall be as follows:

(i) *Time, notice, and place of sale.* The property may be sold at any time after it has been purchased by the United States. A public notice of sale shall be posted at the post office nearest the place of sale and in at least two other public places. The notice shall specify the property to be sold and the time, place, manner, and conditions of sale. In addition, the district director may use such other methods of advertising as he believes will result in obtaining the highest price for the property. The place of sale shall be within the internal revenue district where the property was originally purchased for the United States. However, if the district director believes that a substantially higher price may be obtained, the sale may be held outside his district.

(ii) *Rejection of bids and adjournment of sale.* The internal revenue officer conducting the sale reserves the right to reject any and all bids and withdraw the property from the sale. When it appears to the internal revenue officer conducting the sale that an adjournment of the sale will best serve the interest of the United States, he may order the sale adjourned from time to time. If the sale is adjourned for more than 30 days in the aggregate, public notice of the sale must again be given in accordance with subdivision (i) of this subparagraph.

(iii) *Liquidated damages.* The notice shall state whether, in the case of default in payment of the bid price, any amount deposited with the United States will be retained as liquidated damages. In case liquidated damages are provided, the amount thereof shall not exceed $200.

(3) *Agreement to bid.* The district director may, before giving notice of sale, solicit offers from prospective bidders and enter into agreements with such persons that they will bid at least a specified amount in case the property is offered for sale. In such cases, the district director may also require such persons to make deposits to secure the performance of their agreements. Any such deposit, but not more than $200, shall be retained as liquidated damages in case such person fails to bid the specified amount and the property is not sold for as much as the amount specified in such agreement.

(4) *Terms of payment.* The property shall be offered for sale upon whichever of the following terms is fixed by the district director in the public notice of sale—

(i) Payment in full upon acceptance of the highest bid, without regard to the amount of such bid, or

(ii) If the aggregate price of all property purchased by a successful bidder at the sale is more than $200, an initial payment of $200 or 20 percent of the purchase price, whichever is the greater, and payment of the balance (including all costs incurred for the protection or preservation of the property subsequent to the sale and prior to final payment) within a specified period, not to exceed one month from the date of the sale.

(5) *Method of sale.* The property may be sold either—

(i) At public auction, at which open competitive bids shall be received, or

(ii) At public sale under sealed bids.

(6) *Sales under sealed bids.* The following rules, in addition to the other rules provided in this paragraph, shall be applicable to public sales under sealed bids:

(i) *Invitation to bidders.* Bids shall be solicited through a public notice of sale.

(ii) *Form for use by bidders.* A bid shall be submitted on a form which will be furnished by the district director upon request. The form shall be completed in accordance with the instructions thereon.

(iii) *Remittance with bid.* If the total bid is $200 or less, the full amount of the bid shall be submitted therewith. If the total bid is more than $200, 20 percent of such bid or $200, whichever is greater, shall be submitted therewith. Such remittance shall be by a certified, cashier's, or treasurer's check drawn on any bank or trust company incorporated under the laws of the United States or under the laws of any State, Territory, or possession of the United States, or by a United States postal, bank, express, or telegraph money order.

(iv) *Time for receiving and opening bids.* Each bid shall be submitted in a securely sealed envelope. The bidder shall indicate in the upper left hand corner of the envelope his name and address and the time and place of sale as announced in the public notice of sale. A bid will not be considered unless it is received by the internal revenue officer conducting the sale prior to the opening of the bids. The bids will be opened at the time and place stated in the notice of sale, or at the time fixed in the announcement of the adjournment of the sale.

(v) *Consideration of bids.* The internal revenue officer conducting the sale shall have the right to waive any technical defects in a bid. After the opening, examination, and consideration of all bids, the internal revenue officer conducting the sale shall announce the amount of the highest bid or bids and the name of the successful bidder or bidders, unless in the opinion of the officer a higher price can be obtained for the property than has been bid. In the event the highest bids are equal in amount (and unless in the opinion of the internal revenue officer conducting the sale a higher price can be obtained for the property than has been bid), the officer shall determine the successful bidder by drawing lots. Any remittance submitted in connection with an unsuccessful bid shall be returned to the bidder at the conclusion of the sale.

(vi) *Withdrawal of bids.* A bid may be withdrawn on written or telegraphic request received from the bidder prior to the time fixed for opening the bids. A technical defect in a bid confers no right on the bidder for the withdrawal of his bid after it has been opened.

(7) *Payment of bid price.* All payments for property sold pursuant to this section shall be made by cash or by a certified, cashier's, or treasurer's check drawn on any bank or trust company incorporated under the laws of the United States or under the laws of any State, Territory, or possession of the United States, or by a United States postal, bank, express, or telegraph money order. If payment in full is required upon acceptance of the highest bid, the payment shall be made at such time. If payment in full is not made at such time, the internal revenue officer conducting the sale may forthwith proceed again to sell the property in the manner provided in subparagraph (5) of this paragraph. If deferred payment is permitted, the ini-

tial payment shall be made upon acceptance of the bid, and the balance shall be paid on or before the date fixed for payment thereof. Any remittance submitted with a successful sealed bid shall be applied toward the purchase price.

(8) *Delivery and removal of personal property.* The risk of loss is on the purchaser of the property upon acceptance of his bid. Possession of any property shall not be delivered to the purchaser until the purchase price has been paid in full. If payment of part of the purchase price for the property is deferred, the United States will retain possession of such property as security for the payment of the balance of the purchase price and, as agent for the purchaser, will cause the property to be cared for until the purchase price has been paid in full or the sale is declared null and void for failure to make full payment of the purchase price. In such case, all charges and expenses incurred in caring for the property after acceptance of the bid shall be borne by the purchaser.

(9) *Certificate of sale.* The internal revenue officer conducting the sale shall issue a certificate of sale to the purchaser upon payment in full of the purchase price.

(b) *Accounting.* In case of the resale of such property, the proceeds of the sale shall be paid into the Treasury as internal revenue collections, and there shall be rendered by the district director a distinct account of all charges incurred in such sale. For additional accounting rules, see section 7809 and the instructions thereunder.

§ 301.7506 *Statutory provisions; administration of real estate acquired by the United States.*

SEC. 7506. *Administration of real estate acquired by the United States*—(a) *Person charged with.* The Secretary or his delegate shall have charge of all real estate which is or shall become the property of the United States by judgment of forfeiture under the internal revenue laws, or which has been or shall be assigned, set off, or conveyed by purchase or otherwise to the United States in payment of debts or penalties arising under the laws relating to internal revenue, or which has been or shall be vested in the United States by mortgage or other security for the payment of such debts, and of all trusts created for the use of the United States in payment of such debts due them.

(b) *Sale.* The Secretary or his delegate, may, at public sale, and upon not less than 20 days' notice, sell and dispose of any real estate owned or held by the United States as aforesaid.

(c) *Lease.* Until such sale, the Secretary or his delegate may lease such real estate owned as aforesaid on such terms and for such period as the Secretary or his delegate shall deem proper.

(d) *Release to debtor.* In cases where real estate has or may become the property of the United States by conveyance or otherwise, in payment of or as security for a debt arising under the laws relating to internal revenue, and such debt shall have been paid, together with the interest thereon, at the rate of 1 percent per month, to the United States, within 2 years from the date of the acquisition of such real estate, it shall be lawful for the Secretary or his delegate to release by deed or otherwise convey such real estate to the debtor from whom it was taken, or to his heirs or other legal representatives.

§ 301.7506–1 *Administration of real estate acquired by the United States*—(a) *Persons charged with.* The district director for the internal revenue district in which the property is situated shall have charge of all real estate which is or shall become the property of the United States by judgment of forfeiture under the internal revenue laws, or which has been or shall be assigned, set off, or conveyed by purchase or otherwise to the United States in payment of debts or penalties arising under the laws relating to internal revenue, or which has been or shall be vested in the United States by mortgage, or other security for the payment of such debts, or which has been or shall be purchased for the United States under section 6335 (e) or under a corresponding provision of prior law, and of all trusts created for the use of the United States in payment of such debts due the United States.

(b) *Sale.* The district director for the internal revenue district in which the property is situated may sell any real estate owned or held by the United States as aforesaid, subject to the following rules—

(1) *Property purchased at sale under levy.* If the property was acquired as a result of being declared purchased for the United States at a sale under section 6335, relating to sale of seized property, the property shall not be sold until after the expiration of one year after such sale under levy.

(2) *Notice of sale.* A notice of sale shall be published in some newspaper published or generally circulated within the county where the property is situated, or a notice shall be posted at the post office nearest the place where the property is situated and in at least two other public places. The notice shall specify the property to be sold and the time, place, manner, and conditions of sale. In addition, the district director may use other methods of advertising and of giving notice of sale if he believes such method will enhance the possibility of obtaining a higher price for the property.

(3) *Time and place of sale.* The time of the sale shall be not less than 20 days from the date of giving public notice of sale under subparagraph (2) of this paragraph. The place of sale shall be within the county where the property is situated. However, if the district director believes a substantially better price may be obtained, he may hold the sale outside such county.

(4) *Rejection of bids and adjournment of sale.* The internal revenue officer conducting the sale reserves the right to reject any and all bids and withdraw the property from the sale. When it appears to the internal revenue officer conducting the sale that an adjournment of the sale will best serve the interest of the United States, he may order the sale adjourned from time to time. If the sale is adjourned for more than 30 days in the aggregate, public notice of the sale must be given again in accordance with subparagraph (2) of this paragraph.

(5) *Liquidated damages.* The notice shall state whether, in the case of default in payment of the bid price, any amount deposited with the United States will be retained as liquidated damages. In case liquidated damages are provided, the amount thereof shall not exceed $200.

(6) *Agreement to bid.* The district director may, before giving notice of sale, solicit offers from prospective bidders and enter into agreements with such persons that they will bid at least a specified amount in case the property is offered for sale. In such cases, the district director may also require such persons to make deposits to secure the performance of their agreements. Any such deposit, but not more than $200, shall be retained as liquidated damages in case such person fails to bid the specified amount and the property is not sold for as much as the amount specified in such agreement.

(7) *Terms.* The property shall be offered for sale upon whichever of the following terms is fixed by the district director in the public notice of sale:

(i) Payment in full upon acceptance of the highest bid, or

(ii) If the price of the property purchased by a successful bidder at the sale is more than $200, an initial payment of $200 or 20 percent of the purchase price, whichever is the greater, and payment of the balance within a specified period, not to exceed one month from the date of the sale.

(8) *Method of sale.* The property may be sold either—

(i) At public auction, at which open competitive bids shall be received, or

(ii) At public sale under sealed bids.

(9) *Sales under sealed bids.* The following rules, in addition to the other rules provided in this paragraph, shall be applicable at public sales under sealed bids:

(i) *Invitation to bidders.* Bids shall be solicited through a public notice of sale.

(ii) *Form for use by bidders.* A bid shall be submitted on a form which will be furnished by the district director upon request. The form shall be completed in accordance with the instructions thereon.

(iii) *Remittance with bid.* If the total bid is $200 or less, the full amount of the bid shall be submitted therewith. If the total bid is more than $200, 20 percent of such bid or $200, whichever is greater, shall be submitted therewith. Such remittance shall be by a certified, cashier's, or treasurer's check drawn on any bank or trust company incorporated under the laws of the United States or under the laws of any State, Territory, or possession of the United States, or by a United States postal, bank, express, or telegraph money order.

(iv) *Time for receiving and opening bids.* Each bid shall be submitted in a securely sealed envelope. The bidder shall indicate in the upper left hand corner of the envelope his name and address and the time and place of sale as announced in the public notice of sale. A bid shall not be considered unless it is received by the internal revenue officer conducting the sale prior to the opening of the bids. The bids will be opened at the time and place stated in the notice of sale, or at the time fixed

in the announcement of the adjournment of the sale.

(v) *Consideration of bids.* The internal revenue officer conducting the sale shall have the right to waive any technical defects in a bid. After the opening, examination, and consideration of all bids, the internal revenue officer conducting the sale shall announce the amount of the highest bid or bids and the name of the successful bidder or bidders, unless in the opinion of the officer a higher price can be obtained for the property than has been bid. In the event the highest bids are equal in amount (and unless in the opinion of the internal revenue officer conducting the sale a higher price can be obtained for the property than has been bid), the officer shall determine the successful bidder by drawing lots. Any remittance submitted in connection with an unsuccessful bid shall be returned to the bidder at the conclusion of the sale.

(vi) *Withdrawal of bids.* A bid may be withdrawn on written or telegraphic request received from the bidder prior to the time fixed for opening the bids. A technical defect in a bid confers no right on the bidder for the withdrawal of his bid after it has been opened.

(10) *Payment of bid price.* All payments for property sold pursuant to this section shall be made by cash or by a certified, cashier's, or treasurer's check drawn on any bank or trust company incorporated under the laws of the United States or under the laws of any State, Territory, or possession of the United States, or by a United States postal, bank, express, or telegraph money order. If payment in full is required upon acceptance of the highest bid, the payment shall be made at such time. If payment in full is not made at such time, the internal revenue officer conducting the sale may forthwith proceed again to sell the property in the manner provided in subparagraph (8) of this paragraph. If deferred payment is permitted, the initial payment shall be made upon acceptance of the bid, and the balance shall be paid on or before the date fixed for payment thereof. Any remittance submitted with a successful sealed bid shall be applied toward the purchase price.

(11) *Deed.* Upon payment in full of the purchase price, the district director shall execute a quitclaim deed to the purchaser.

(c) *Lease.* Until real estate is sold, the district director for the internal revenue district in which the property is situated may, in accordance with instructions issued by the Commissioner, lease such property.

(d) *Release to debtor.* In cases where real estate has or may become the property of the United States by conveyance or otherwise, in payment of or as security for a debt arising under the laws relating to internal revenue, and such debt shall have been paid, together with the interest thereon (at the rate of one percent per month), to the United States within two years from the date of the acquisition of such real estate, the district director for the internal revenue district in which the property is located may release by deed or otherwise convey such real estate to the debtor from whom it was taken, or to his heirs or other legal representatives. If property is declared purchased by the United States under section 6335, then, for the purpose of this paragraph, the date of such declaration shall be deemed to be the date of acquisition of such real estate.

(e) *Accounting.* The district director for the internal revenue district in which the property is situated shall, in accordance with section 7809 and the instructions thereunder, account for the proceeds of all sales or leases of the property and all expenses connected with the maintenance, sale, or lease of the property.

(f) *Authority of Commissioner.* Notwithstanding the other paragraphs of this section, the Commissioner may, when he deems it advisable, take charge of and assume responsibility for any real estate to which this section is applicable. In such case, the Commissioner will notify in writing the district director for the internal revenue district in which the property is situated. In any case where a single parcel of real estate is situated in more than one internal revenue district, the Commissioner may designate in writing a district director who shall have charge of and be responsible for the entire property.

§ 301.7507 *Statutory provisions; exemption of insolvent banks from tax.*

SEC. 7507. *Exemption of insolvent banks from tax*—(a) *Assets in general.* Whenever and after any bank or trust company, a substantial portion of the business of which consists of receiving deposits and making loans and discounts, has ceased to do business by reason of insolvency or bankruptcy, no tax shall be assessed or collected, or paid into the Treasury of the United States, on account of such bank or trust company, which shall diminish the assets thereof necessary for the full payment of all its depositors; and such tax shall be abated from such national banks as are found by the Comptroller of the Currency to be insolvent; and the Secretary or his delegate, when the facts shall appear to him, is authorized to remit so much of the said tax against any such insolvent banks and trust companies organized under State law as shall be found to affect the claims of their depositors.

(b) *Segregated assets; earnings.* Whenever any bank or trust company, a substantial portion of the business of which consists of receiving deposits and making loans and discounts, has been released or discharged from its liability to its depositors for any part of their claims against it, and such depositors have accepted, in lieu thereof, a lien upon subsequent earnings of such bank or trust company, or claims against assets segregated by such bank or trust company or against assets transferred from it to an individual or corporate trustee or agent, no tax shall be assessed or collected, or paid into the Treasury of the United States, on account of such bank or trust company, such individual or corporate trustee or such agent, which shall diminish the assets thereof which are available for the payment of such depositor claims and which are necessary for the full payment thereof. The term "agent", as used in this subsection, shall be deemed to include a corporation acting as a liquidating agent.

(c) *Refund; reassessment; statutes of limitation.* (1) Any such tax collected shall be deemed to be erroneously collected, and shall be refunded subject to all provisions and limitations of law, so far as applicable, relating to the refunding of taxes.

(2) Any tax, the assessment, collection, or payment of which is barred under subsection (a), or any such tax which has been abated or remitted after May 28, 1938, shall be assessed or reassessed whenever it shall appear that payment of the tax will not diminish the assets as aforesaid.

(3) Any tax, the assessment, collection, or payment of which is barred under subsection (b), or any such tax which has been refunded after May 28, 1938, shall be assessed or reassessed after full payment of such claims of depositors to the extent of the remaining assets segregated or transferred as described in subsection (b).

(4) The running of the statute of limitations on the making of assessment and collection shall be suspended during, and for 90 days beyond, the period for which, pursuant to this section, assessment or collection may not be made, and a tax may be reassessed as provided in paragraphs (2) and (3) of this subsection and collected, during the time within which, had there been no abatement, collection might have been made.

(d) *Exception of employment taxes.* This section shall not apply to any tax imposed by chapter 21 or chapter 23.

§ 301.7507–1 *Banks and trust companies covered.* (a) Section 7507 applies to any national bank, or bank or trust company organized under State law, a substantial portion of the business of which consists of receiving deposits and making loans and discounts, and which has—

(1) Ceased to do business by reason of insolvency or bankruptcy, or

(2) Been released or discharged from its liability to its depositors for any part of their deposit claims, and the depositors have accepted in lieu thereof a lien upon its subsequent earnings or claims against its assets either (i) segregated and held by it for benefit of the depositors or (ii) transferred to an individual or corporate trustee or agent who liquidates, holds or operates the assets for the benefit of the depositors.

(b) As used in the regulations under section 7507:

(1) The term "bank", unless otherwise indicated by the context, means any national bank, or bank or trust company organized under State law, within the scope of such section.

(2) The terms "statute of limitations" and "limitations" mean all applicable provisions of law (including section 7507) which impose, change, or affect the limitations, conditions, or requirements relative to the allowance of refunds and abatements or the assessment or collection of tax, as the case may be.

(3) The term "segregated assets" includes transferred or trusteed assets, or assets set aside or earmarked, to all or a portion of which, or the proceeds of which, the depositors are absolutely or conditionally entitled.

§ 301.7507–2 *Scope of section generally*—(a) *Purpose.* Section 7507 is intended to assist depositors of a bank which had ceased to do business by reason of insolvency to recover their deposits, by prohibiting collection of taxes of the bank which would diminish the assets necessary for payment of its depositors and also assist depositors of banks which are in financial difficulties

but which, in certain conditions, continue in business.

(b) *Requisites of application.* In order that section 7507 shall operate in a case where the bank continues business it is necessary that the depositors shall agree to accept, in lieu of all or a part of their deposit claims as such, claims against segregated assets, or a lien upon subsequent earnings of the bank, or both. When such an agreement exists, no tax diminishing such assets or earnings, or both, otherwise available and necessary for payment of depositors, may be collected therefrom. If, under such an agreement, the depositors have the right also to look to the unsegregated assets of the bank for recovery, in whole or in part, the unsegregated assets are likewise, until they exceed the amount of the depositors' claims chargeable thereto, unavailable for tax collection. Any tax of such a bank, or part of any tax, which is once uncollectible under section 7507, cannot thereafter be collected except from any residue of segregated assets remaining after claims of depositors against such assets have been paid.

(c) *Interest.* For the purposes of section 7507, depositors' claims include bona fide interest, either on the deposits as such, or on the claims accepted in lieu of deposits as such.

(d) *Limitations on immunity.* Section 7507 is not primarily intended for the relief of banks as such. It does not prevent tax collection, from assets not necessary, or not available, for payment of depositors, from a bank within section 7507 (a), at any time within the statute of limitations. In other words, the immunity of such a bank is not complete, but ceases whenever, within the statutory period for collection, it becomes possible to make collection without diminishing assets necessary for payment of depositors. In the case of a bank within section 7507 (b), any immunity to which the bank is entitled is absolute except as to segregated assets. Any tax coming within such immunity may never be collected. With respect to segregated assets, such a bank is subject to the same rule as a bank within section 7507 (a), that is to say, after claims of depositors against segregated assets have been paid, any surplus is subject, within the statute of limitations, to collection of any tax, due at any time, the collection of which was suspended by the section. The section is not for the relief of creditors other than depositors, although it may incidentally operate for their benefit. See §§ 301.7507–4 and 301.7507–9 (b).

§ 301.7507–3 *Segregated or transferred assets*—(a) *In general.* In a case involving segregated or transferred assets, it is not necessary, for application of section 7507, that the assets shall technically constitute a trust fund. It is sufficient that segregated assets be definitely separated from other assets of the bank and that transferred assets be definitely separated both from other assets of the bank and from other assets held or owned by the trustee or agent to whom assets of the bank have been transferred; that the bank be wholly or partially released from liability for repayment of deposits as such; and that the depositors have claims against the separated assets. Any excess of separated assets over the amount necessary for payment of such depositors will be available for tax collection after full payment of depositors' claims under the agreement against such assets. But see § 301.7507–9 (a).

(b) *Corporate transferees.* Where the segregated assets are transferred to a separate corporate trustee or corporate agent, the assets and earnings therefrom are within the protection of the section, until full payment of depositors' claims against such assets and earnings, no matter by whom the stock of such corporation is held, and no matter whether the assets be liquidated or operated or held for benefit of the depositors.

§ 301.7507–4 *Unsegregated assets*—(a) *Depositors' claims against assets.* (1) Claims of depositors, to the extent that they are to be satisfied out of segregated assets, will not be considered in determining the availability of unsegregated assets for tax collection. If depositors have agreed to accept payment out of segregated assets only, collection of tax from unsegregated assets will not diminish the assets available and necessary for payment of the depositors' claims. Thus, it may be possible to collect taxes from the unsegregated assets of a bank although the segregated assets are immune under the section.

(2) If the unsegregated assets of the bank are subject to any portion of the depositors' claims, such unsegregated assets will be within the immunity of the section only to the extent necessary to satisfy the claims to which such assets are subject. Taxes will still be collectible from the unsegregated assets to the extent of the amount by which the total value of such assets exceeds the liability to depositors to be satisfied therefrom. Therefore, if, for example, in the case of a bank having a tax liability, not previously immune under the section, of $50,000, the deposit claims against the bank are in the amount of $75,000, and the assets available for satisfaction of deposit claims amount to $100,000, the $50,000 tax is collectible to the extent of the $25,000 excess of assets over deposit claims. Collection is not to be postponed until the full amount of the tax is collectible.

(b) *Depositors' claims against earnings.* Even though under a bona fide agreement a bank has been released from depositors' claims as to unsegregated assets, if all or a portion of its earnings are subject to depositors' claims, all assets the earnings from which, in whole or part, are charged with the payment of depositors' claims, will be immune from tax collection. But see § 301.7507–5 (a).

§ 301.7507–5 *Earnings*—(a) *Availability for tax collection.* Earnings of a bank within section 7507 (b), whether from segregated or unsegregated assets, which are necessary for, applicable to, and actually used for, payment of depositors' claims under an agreement, are within the immunity of the section. If only a portion or percentage of income from segregated or unsegregated assets is available and necessary for payment of depositors' claims, the remaining income is available for tax collection. Earnings of the bank's first fiscal year ending after the making of the agreement not applicable to payment of depositors will be assumed to be applicable for collection of any tax due prior or subsequent to execution of the agreement. Earnings of subsequent fiscal periods from unsegregated assets not applicable to depositors' claims will be assumed to be applicable to payment of taxes as to which immunity under the section has not previously attached. Earnings from segregated assets are available for collection of tax, whether previously uncollectible under the section or not, after depositors' claims against such assets have been paid in full. See §§ 301.7507–3 (a) and 301.7507–9 (a).

(b) *Tax computation.* The fact that earnings of a given year may be wholly or partly unavailable under section 7507 for collection of taxes does not exempt the income for that year, or any part thereof, from tax liability. The section affects collectibility only, and is not concerned with taxability. Accordingly, the taxpayer's income tax return shall correctly compute the tax liability, even though in the opinion of the taxpayer it is immune from tax collection under the section. The tax shall be determined with respect to the entire gross income and not merely with respect to the portion of the earnings out of which tax may be collected. As to establishment of immunity from tax collection see § 301.7507–7.

Example. (1) An agreement, executed in the year 1954 between a bank and its depositors, provides (1) that certain assets are to be segregated for the benefit of the depositors who have waived (as claims against unsegregated assets of the bank) a percentage of their deposits; (2) that 40 percent of the bank's net earnings, for years beginning with 1954, from unsegregated assets, shall be paid to the depositors until the portion of their claims waived with respect to unsegregated assets of the bank has been paid; and (3) that the unsegregated assets shall not be subject to depositors' claims. The net income of the bank for the calendar year 1954 is $10,000, $4,000 produced by the segregated, and $6,000 produced by the unsegregated assets. Such amount shall be considered the net earnings for the purpose of section 7507 in computing the portion of the earnings to be paid to depositors. The bank has an outstanding tax liability for prior years of $7,000. The income tax liability of the bank for 1954 is 30 percent of $10,000, or $3,000, making a total outstanding tax liability of $10,000. The portion of the earnings of the bank for 1954 remaining after provision for depositors is $3,600 ($6,000 less 40 percent thereof, or $2,400). It will be assumed that of the total outstanding tax liability of $10,000, $3,600 may be assessed and collected, leaving $6,400 to be collected from any excess of the segregated assets after claims of depositors against such segregated assets have been paid in full. No part of the $6,400 immune from collection from 1954 earnings may be collected thereafter from unsegregated assets of the bank or earnings therefrom, so that except for any possible surplus of the segregated assets the $6,400 is uncollectible.

(2) In the year 1955, the earnings are again $10,000, $4,000 from segregated and

$6,000 from unsegregated assets, as in 1954. However, the return filed shows income of $5,000 and a tax liability of $1,500. An investigation shows the true income to be $10,000, on which the tax is $3,000. The full $3,000 will be assumed to be collectible. The $600 difference between $3,600 (the excess of earnings from unsegregated assets over the amount going to the depositors), and the $3,000 tax for 1955, is not available for collection of the tax for prior years, which became immune as described above, but may be available for collection of tax for subsequent years.

(c) No significance attaches to the selection of the years 1954 and 1955 in the example set forth in paragraph (b) of this section. The rules indicated by the example are equally applicable to subsequent or prior years not excluded by limitations.

§ 301.7507–6 *Abatement and refund.* (a) An assessment or collection, no matter when made, if contrary to section 7507, is subject to abatement or refund within the applicable statutory period of limitations.

(b) Collection from a bank within section 7507 (b) which diminishes assets necessary for payment of depositors, if made prior to agreement with depositors, is not contrary to the section, and affords no ground for refund.

(c) Any abatement or refund is subject to existing statutory periods of limitation, which periods are not suspended or extended by section 7507. In order to secure a refund of any taxes paid for any taxable year during the period of immunity the bank must file claim therefor.

§ 301.7507–7 *Establishment of immunity.* (a) The mere allegation of insolvency, or that depositors have claims against segregated or other assets or earnings, will not of itself secure immunity from tax collection. It must be affirmatively established to the satisfaction of the district director that collection of tax will be contrary to section 7507. See also § 301.7507–8.

(b) Any claim, by a bank, of immunity under section 7507 (b), shall be supported by a statement, under oath or affirmation, which shall show: (1) The total of depositors' claims outstanding, and (2) separately and in detail, the amount of each of the following, and the amount of depositors' claims properly chargeable against each: (i) Segregated or transferred assets; (ii) unsegregated assets; (iii) estimated future average annual earnings and profits; (iv) amount collectible from shareholders; and (v) any other resources available for payment of depositors' claims. The detail shall show the full amount of depositors' claims chargeable against each of the items in subdivisions (i) to (v), inclusive, of this paragraph even though part or all of the amount chargeable against a particular item is also chargeable against some other item or items. There shall also be filed a copy of any agreement between the bank and its depositors, and any other agreement or document bearing on the claim of immunity. The statement shall show the basis, as "book", "market", etc., of valuation of the assets.

§ 301.7507–8 *Procedure during immunity*—(a) *Statements to be filed.* As long as complete or partial immunity is claimed, a bank within section 7507 (b) shall file with each income tax return a statement as required by § 301.7507–7, in duplicate, and shall also file such additional statements as the district director may require. Whether or not additional statements shall be required, and the frequency thereof, will depend on the circumstances, including the financial status and apparent prospects of the bank, and the time which is available for assessment and collection. If a copy of an agreement or document has once been filed, a copy of the same agreement or document need not again be filed with a subsequent statement, if it is shown by the subsequent statement, when and where and with what return the copy was filed. In case of amendment a copy of the amendment must be filed with the return for the taxable year in which the amendment is made.

(b) *Failure to file.* Failure of a bank to file any required statement will be treated as indicating that the bank is not entitled to immunity.

§ 301.7507–9 *Termination of immunity*—(a) *In general.* (1) In the case of a bank within section 7507 (a), immunity will end whenever, and to the extent that, taxes may be assessed and collected, within the applicable limitation periods as extended by section 7507, without diminishing the assets available and necessary for payment of depositors. Immunity of a bank within section 7507 (b) is terminated, as to segregated assets, whenever claims of depositors against such assets have been paid in full. See § 301.7507–3. As to segregated assets, the termination of immunity is complete, and any balance remaining after payment of depositors is available, within statutory limitations, for collection of tax due at any time. However, taxes of the bank will be collectible from segregated assets only to the extent that the bank has a legal or equitable interest therein. Assets as to which there has been a complete conveyance for benefit of depositors, and the bank has bona fide been divested of all legal and equitable interest, are not available for collection of the bank's tax liability.

(2) As to unsegregated assets of a bank within section 7507 (b), immunity terminates only as to taxes thereafter becoming due. When taxes are once immune from collection, the immunity as to unsegregated assets is absolute. But see § 301.7507–4 (a).

(b) *General creditors.* While the immunity from tax collection is for protection of depositors, and not for benefit of general creditors, in some cases the immunity will not end until the assets are sufficient to cover indebtedness of creditors generally. This situation will exist where under applicable law the claims of general creditors are on a parity with those of depositors, so that to pay depositors in full it is necessary to pay all creditors in full.

(c) *Shareholder liability.* In determining the sufficiency of the assets to satisfy the depositors' claims, shareholders' liability to the extent collectible shall be treated as available assets. See § 301.7507–7.

(d) *Deposit insurance.* Deposit insurance payable to depositors shall not be treated as an asset of the bank and shall be disregarded in determining the sufficiency of the assets to meet the claims of depositors.

(e) *Notice by bank.* A bank within section 7507 (b), upon termination of immunity with respect to (1) earnings, (2) segregated or transferred assets, or (3) unsegregated assets, shall immediately notify the district director of internal revenue for the internal revenue district in which the taxpayer's returns were filed of such termination of immunity. See § 301.7507–8 (b).

(f) *Payment by bank.* As immunity terminates with respect to any assets, it will be the duty of the bank, without notice from the district director of internal revenue, to make payment of taxes collectible from such assets.

§ 301.7507–10 *Collection of tax after termination of immunity.* If, in the case of a bank within section 7507 (b), segregated assets (including earnings therefrom), in excess of those necessary for payment of outstanding deposits become available, such excess of segregated assets shall be applied toward satisfaction of accumulated outstanding taxes previously immune under the section, and not barred by the statute of limitations. But see § 301.7507–3. Where sufficient segregated or unsegregated assets are available, statutory interest shall be collected with the tax. When unsegregated assets or earnings therefrom previously immune become available for tax collection, they will be available only for collection of taxes (including interest and other additions) becoming due after immunity ceases. See the example in § 301.7507–5 (b).

§ 301.7507–11 *Exception of employment taxes.* The immunity granted by section 7507 does not apply to taxes imposed by chapter 21 or chapter 23.

§ 301.7508 *Statutory provisions; time for performing certain acts postponed by reason of war.*

SEC. 7508. *Time for performing certain acts postponed by reason of war*—(a) *Time to be disregarded.* In the case of an individual serving in the Armed Forces of the United States, or serving in support of such Armed Forces, in an area designated by the President of the United States by Executive order as a "combat zone" for purposes of section 112, at any time during the period designated by the President by Executive order as the period of combatant activities in such zone for purposes of such section, or hospitalized outside the States of the Union and the District of Columbia as a result of injury received while serving in such an area during such time, the period of service in such area, plus the period of continuous hospitalization outside the States of the Union and the District of Columbia attributable to such injury, and the next 180 days thereafter, shall be disregarded in determining, under the internal revenue laws, in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax) of such individual—

(1) Whether any of the following acts was performed within the time prescribed therefor:

(A) Filing any return of income, estate, or gift tax (except income tax withheld at source and income tax imposed by subtitle C or any law superseded thereby);

(B) Payment of any income, estate, or gift tax (except income tax withheld at source and income tax imposed by subtitle C or any law superseded thereby) or any installment thereof or of any other liability to the United States in respect thereof;

(C) Filing a petition with the Tax Court for redetermination of a deficiency, or for review of a decision rendered by the Tax Court;

(D) Allowance of a credit or refund of any tax;

(E) Filing a claim for credit or refund of any tax;

(F) Bringing suit upon any such claim for credit or refund;

(G) Assessment of any tax;

(H) Giving or making any notice or demand for the payment of any tax, or with respect to any liability to the United States in respect of any tax;

(I) Collection, by the Secretary or his delegate, by levy or otherwise, of the amount of any liability in respect of any tax,

(J) Bringing suit by the United States, or any officer on its behalf, in respect of any liability in respect of any tax; and

(K) Any other act required or permitted under the internal revenue laws specified in regulations prescribed under this section by the Secretary or his delegate;

(2) The amount of any credit or refund (including interest).

(b) *Exceptions—(1) Tax in jeopardy; bankruptcy and receiverships; and transferred assets.* Notwithstanding the provisions of subsection (a), any action or proceeding authorized by section 6851 (regardless of the taxable year for which the tax arose), chapter 70, or 71, as well as any other action or proceeding authorized by law in connection therewith, may be taken, begun, or prosecuted. In any other case in which the Secretary or his delegate determines that collection of the amount of any assessment would be jeopardized by delay, the provisions of subsection (a) shall not operate to stay collection of such amount by levy or otherwise as authorized by law. There shall be excluded from any amount assessed or collected pursuant to this paragraph the amount of interest, penalty, additional amount, and addition to the tax, if any, in respect of the period disregarded under subsection (a). In any case to which this paragraph relates, if the Secretary or his delegate is required to give any notice to or to make any demand upon any person, such requirement shall be deemed to be satisfied if the notice or demand is prepared and signed, in any case in which the address of such person last known to the Secretary or his delegate is in an area for which United States post offices under instructions of the Postmaster General are not, by reason of the combatant activities, accepting mail for delivery at the time the notice or demand is signed. In such case the notice or demand shall be deemed to have been given or made upon the date it is signed.

(2) *Action taken before ascertainment of right to benefits.* The assessment or collection of any internal revenue tax or of any liability to the United States in respect of any internal revenue tax, or any action or proceeding by or on behalf of the United States in connection therewith, may be made, taken, begun, or prosecuted in accordance with law, without regard to the provisions of subsection (a), unless prior to such assessment, collection, action, or proceeding it is ascertained that the person concerned is entitled to the benefits of subsection (a).

§ 301.7509 *Statutory provisions; expenditures incurred by the Post Office Department.*

SEC. 7509. *Expenditures incurred by the Post Office Department.* The Postmaster General or his delegate shall at least once a month transfer to the Treasury of the United States, together with the receipts required to be deposited under section 6803 (a), a statement of the additional expenditures in the District of Columbia and elsewhere incurred by the Post Office Department in performing the duties, if any, imposed upon such Department with respect to chapter 21, relating to the tax under the Federal Insurance Contributions Act, and the Secretary or his delegate shall be authorized and directed to advance from time to time to the credit of the Post Office Department, from appropriations made for the collection of the taxes imposed by chapter 21, such sums as may be required for such additional expenditures incurred by the Post Office Department.

§ 301.7510 *Statutory provisions; exemption from tax of domestic goods purchased for the United States.*

SEC. 7510. *Exemption from tax of domestic goods purchased for the United States.* The privilege existing by provision of law on December 1, 1873, or thereafter of purchasing supplies of goods imported from foreign countries for the use of the United States, duty free, shall be extended, under such regulations as the Secretary or his delegate may prescribe, to all articles of domestic production which are subject to tax by the provisions of this title.

§ 301.7510–1 *Exemption from tax of domestic goods purchased for the United States.* For any regulations under section 7510, see the applicable regulations with respect to the various taxes.

§ 301.7511 *Statutory provisions; exemption of consular officers and employees of foreign states from payment of internal revenue taxes on imported articles.*

SEC. 7511. *Exemption of consular officers and employees of foreign states from payment of internal revenue taxes on imported articles*—(a) *Rule of exemption.* No internal revenue tax shall be imposed with respect to articles imported by a consular officer of a foreign state or by an employee of a consulate of a foreign state, whether such articles accompany the officer or employee to his post in the United States, its insular possessions, or the Panama Canal Zone, or are imported by him at any time during the exercise of his functions therein, if—

(1) such officer or employee is a national of the state appointing him and not engaged in any profession, business, or trade within the territory specified in this subsection;

(2) the articles are imported by the officer or employee for his personal or official use; and

(3) the foreign state grants an equivalent exemption to corresponding officers or employees of the Government of the United States stationed in such foreign state.

(b) *Certificate by Secretary of State.* The Secretary of State shall certify to the Secretary of the Treasury the names of the foreign states which grant an equivalent exemption to the consular officers or employees of the Government of the United States stationed in such foreign states.

GENERAL RULES

EFFECTIVE DATE AND RELATED PROVISIONS

§ 301.7851 *Statutory provisions; applicability of revenue laws.*

SEC. 7851. *Applicability of revenue laws*—(a) *General rules.* Except as otherwise provided in any section of this title—

* * * * *

(6) *Subtitle F.*

(A) *General rule.* The provisions of subtitle F [including chapter 77, relating to miscellaneous provisions] shall take effect on the day after the date of enactment of this title and shall be applicable with respect to any tax imposed by this title. * * *

(C) *Taxes imposed under the 1939 Code.* After the date of enactment of this title, the following provisions of subtitle F shall apply to the taxes imposed by the Internal Revenue Code of 1939, notwithstanding any contrary provisions of such code:

* * * * *

(v) Chapter 77, relating to miscellaneous provisions, except that section 7502 shall apply only if the mailing occurs after the date of enactment of this title, and section 7503 shall apply only if the last date referred to therein occurs after the date of enactment of this title. * * *

[F. R. Doc. 57–3618; Filed, May 2, 1957; 8:48 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

Subchapter M—National Forests, National Parks, and National Monuments

[Circular No. 1978]

PART 205—NATIONAL FORESTS

PROCEDURE ON APPLICATIONS FOR LANDS WITHIN NATIONAL FORESTS

Part 205 is revised to read as follows:

Sec.

205.1 Showing required with application alleging settlement prior to establishment of forest.

205.2 Patent to be withheld pending report from Forest Service.

AUTHORITY: §§ 205.1 and 205.2 issued under R. S. 2478; 43 U. S. C. 1201.

CROSS REFERENCES: For Indian allotments in national forests, see § 176.15 of this chapter. For mining claims in national forests, see § 185.33 of this chapter. For national forest homesteads, see Part 170 of this chapter. For Forest Service, Department of Agriculture, see Parks and Forests, 36 CFR Chapter II. For forest regulations of the Bureau of Indian Affairs, see Indians, 25 CFR Parts 61 to 64. For National Park Service, Department of the Interior, see Parks and Forests, 36 CFR Chapter I.

§ 205.1 *Showing required with application alleging settlement prior to establishment of forest.*[1] When a person files application to make entry, or to amend an existing entry, embracing lands within a national forest, basing the right of entry, or amendment, on settlement prior to the establishment of the forest, it must be accompanied by a statement in duplicate, containing his name and address, description and character of the land involved, the date he established residence on the land, his absence from the land, kind and character of improvements placed thereon, and the amount of land cleared and cultivated. Such statement, must be corroborated by at least one disinterested person.

§ 205.2 *Patent to be withheld pending report from Forest Service.* In no claim,

[1] 18 U. S. C. 1001 makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

mineral or non-mineral, shall patent issue for land within a national forest until the Bureau of Land Management is notified by, or ascertains from, the Forest Service, that the claim will not be contested. A claim may be contested by the Forest Service at any time prior to the issuance of patent or confirmation of the entry.

HATFIELD CHILSON,
Acting Secretary of the Interior.

APRIL 30, 1957.

[F. R. Doc. 57-3641; Filed, May 2, 1957; 8:53 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 11755; FCC 57-413]

[Rules Amdt. 3-67]

PART 3—RADIO BROADCAST SERVICES

TELEVISION BROADCAST STATIONS, TABLE OF ASSIGNMENTS

1. The Commission has before it for consideration its notice of proposed rule making issued in this proceeding on June 26, 1956 (FCC 56-596) proposing to change the non-commercial educational assignment at Duluth, Minnesota-Superior, Wisconsin from Channel 8 to Channel 32.

2. Two parties have submitted counterproposals:

(a) The American Broadcasting Company urges adoption of the Commission's proposal but suggests in addition that Channel 11 be assigned to Duluth-Superior as a fourth commercial VHF assignment.

(b) Great Plains Television Properties of Minnesota, Inc., the permittee of WFTV, Channel 38 in Duluth, urges the adoption of the Commission's proposal or the ABC counterproposal, and as a third alternative, suggests that Channel 10 be assigned to Duluth-Superior by deleting it from Hibbing, Minnesota and Hancock, Michigan.

3. Comments supporting the Commission proposal and their respective counterproposals were filed by American Broadcasting Company and Great Plains Television Properties of Minnesota, Inc., The University of Minnesota, The Duluth Citizens Committee for Educational Television and the Joint Council on Educational Television filed comments in opposition to the Commission's proposal.

4. The Duluth-Superior Metropolitan area, which ranks 75th in the country, had a 1950 population of 252,777. The combined population of the cities is 139,836. Three VHF channels and two UHF channels are now assigned to Duluth-Superior, Channels 3, 6, *8, 32 and 38, KDAL-TV is operating on Channel 3, WDSM-TV is in operation on Channel 6 and Channel 8 is reserved for non-commercial educational use. WFTV began operating on UHF Channel 38 on May 31, 1953, but suspended operations on July 11, 1954. No applications for UHF Channel 32 have been filed. No other stations provide Grade B or better service to the area.

5. The parties urging the assignment of a third commercial VHF channel to Duluth-Superior submit that the prospect for additional television service in this predominantly VHF area depends, as a practical matter, upon the availability of additional VHF outlets. They maintain that the Duluth-Superior area requires more than two commercial services to serve adequately its television needs and that a minimum of three fully competitive facilities in each of the major markets in the nation is essential to insure effective local competition and to provide adequate competition among the national networks. We believe that the addition of a third commercial VHF assignment in Duluth-Superior would further our objective of improving the opportunities for effective competition among a greater number of stations. We must therefore determine which of the proposals for accomplishing this is to be preferred.[1]

6. Of the proposals before us for adding a VHF outlet to Duluth-Superior we find the proposal to add Channel 10 most meritorious. This proposal requires the deletion of Channel 10 from Hibbing, Minnesota and Hancock, Michigan. There are no outstanding authorizations for a Channel 10 station in either community.[2] Hancock had a 1950 population of 5,223 and Hibbing a population of 16,276. We believe the public interest would be served by shifting Channel 10 from Hibbing and Hancock to Duluth-Superior. The use of the channel in Duluth-Superior, where it would provide a much-needed third local outlet to a significant number of persons, would, we believe, be a more effective use of the spectrum than allowing the channel to remain in the much smaller communities of Hancock and Hibbing. Such assignment, in our judgment, advances our interim objective of improving opportunities for more effective competition among a greater number of stations. We feel that making a third commercial outlet available for a market the size of Duluth-Superior warrants the deletion of the channel from the smaller communities. The fact that an application for Channel 10 in Hibbing has been submitted does not alter our conclusion.

7. Having determined that the counterproposal to assign Channel 10 to Duluth-Superior as a third commercial outlet would serve the public interest, we need not consider, in detail, the merits of the proposal to make the educational reservation in Duluth-Superior (Channel 8) available for commercial use. We do not beleive that the record in this proceeding establishes a sufficient need or demand for a fourth commercial outlet in Duluth-Superior at this time to justify depriving the educators of the opportunity to fulfill their plans for utilization of the channel.

8. Authority for the adoption of the amendments is contained in sections 1, 4 (i), and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h), and (r), and 307 (b) of the Communications Act of 1934, as amended.

9. In view of the foregoing: *It is ordered*, That effective June 3, 1957, § 3.606 *Table of Television Assignments* is amended as follows:

(a) Delete entries for Hancock, Michigan and Hibbing, Minnesota.

(b) Change the entry in the state of Minnesota to read as follows:

Duluth-Superior, Wis.	3, 6+, *8−, 10+, 32, 38

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interprets or applies secs. 301, 303, 307, 48 Stat. 1081, 1082, 1083; 47 U. S. C. 301, 303, 307)

Adopted: April 24, 1957.

Released: April 30, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3624; Filed, May 2, 1957; 8:50 a. m.]

[1] The allocation of Channel 11 as proposed by ABC would involve the necessity of operation with low power and directional antenna and would represent a substantial departure from the minimum separation requirements of the Rules. We have repeatedly indicated that operations at substandard spacings would not promote efficiency in the use of the limited channels available. We are therefore rejecting this proposal.

[2] A construction permit for a station on Channel 10 at Hibbing was issued to North Star Television Co. but the station was not constructed. On April 10, 1957 an application for this channel was tendered for filing by Carl Bloomquist, Eveleth, Minnesota.

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 177]

INTERSTATE TRAFFIC IN FIREARMS AND AMMUNITION

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Director, Alcohol and Tobacco Tax Division, Internal Revenue Service, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7 of the Federal Firearms Act (52 Stat. 1250, 1252, 53 Stat. 1222, 61 Stat. 11; 15 U. S. C. 907).

[SEAL] O. GORDON DELK,
Acting Commissioner of Internal Revenue.

Subpart A—Introductory

Subpart B—Definitions

Subpart C—Licenses

PERSONS REQUIRED TO PROCURE LICENSES

PERSONS NOT ENTITLED TO A LICENSE

ISSUANCE OF A LICENSE

SCOPE AND DURATION OF LICENSE

SUSPENSION AND REVOCATION OF LICENSE

Subpart D—Conduct of Business

Subpart E—Exemptions

Subpart F—Unlawful Acts

Subpart G—Penalties, Seizures and Forfeitures

AUTHORITY: §§ 177.1 to 177.102 issued under 52 Stat. 1250, 1252, 53 Stat. 1222, 61 Stat. 11; 15 U. S. C. 901–909. Statutory provisions interpreted or applied are cited to text in parentheses.

SUBPART A—INTRODUCTORY

§ 177.1 *Scope of regulations*—(a) *In general.* The regulations contained in this part relate to the traffic in firearms and ammunition under the Federal Firearms Act, as amended, and supersede Regulations 131 (26 CFR (1939) Part 315).

(b) *Procedural and substantive requirements covered.* This part contains the procedural and substantive requirements relative to:

(1) The licensing of manufacturers (including importers) of, and dealers in, firearms or ammunition;

(2) The conduct of business by licensees;

(3) The records required to be maintained by licensees;

(4) Interstate traffic in firearms and/or ammunition by persons specifically exempted from the provisions of the Federal Firearms Act; and to

(5) Prohibited acts generally.

(c) *Relation to other provisions of law.* The provisions of this part are in addition to, and not in lieu of, any other provision of law, or regulations, respecting traffic in firearms or ammunition. For regulations applicable to traffic in machineguns and certain other firearms, see Part 179 of this chapter. For regulations applicable to the registration and licensing of persons engaged in the business of manufacturing, importing or exporting arms, ammunition, or implements of war under section 414 of the Mutual Security Act of 1954, see 22 CFR Part 75.

§ 177.2 *Effective date.* The regulations contained in this part shall be effective on the first day of the first month which begins not less than 30 days following the date of publication in the FEDERAL REGISTER. These regulations shall not affect any act done or any liability incurred, or right accruing or accrued, or any suit or proceeding had or commenced, before such effective date.

SUBPART B—DEFINITIONS

§ 177.10 *Meaning of terms.* As used in this part, unless the context otherwise requires, terms shall have the meanings ascribed in this subpart as follows:

Act. Means the Federal Firearms Act. (U. S. C., Title 15, Chapter 18).

Ammunition. Means only pistol or revolver ammunition; however, no distinction is recognized between "new" and "reloaded" ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any .22 caliber rimfire ammunition.

Assistant Regional Commissioner. Means the Assistant Regional Commissioner, Alcohol and Tobacco Tax, who is responsible to, and functions under, the direction and supervision of the Regional Commissioner of Internal Revenue.

Commissioner. Means the Commissioner of Internal Revenue.

Crime of violence. Means murder, manslaughter, rape, mayhem, kidnaping, robbery, burglary, housebreaking; assault with intent to kill, commit rape, or rob; assault with a dangerous weapon, or assault with intent to commit any offense punishable by imprisonment for more than one year. (15 U. S. C. 901 (6)).

Dealer. Means any person engaged in the business of selling firearms or ammunition or cartridge cases, primers, bullets or propellent powder, at wholesale or retail, or any person engaged in the business of repairing such firearms or of manufacturing or fitting special barrels, stocks, trigger mechanisms, or breech mechanisms to firearms. (15 U. S. C. 901 (5)).

Director. Means the Director, Alcohol and Tobacco Tax Division, Internal Revenue Service, Treasury Department, Washington, D. C.

District. Means the internal revenue district under the jurisdiction of a District Director of Internal Revenue.

District Director. Means the District Director of Internal Revenue.

Firearm. Means any weapon, by whatever name known, which is designed to expel a projectile or projectiles by the action of an explosive and a firearm muffler or firearm silencer, or any part or parts of such weapon.

Fugitive from justice. Means any person who has fled from any State, Territory, the District of Columbia, or

possession of the United States to avoid prosecution for a crime of violence or to avoid giving testimony in any criminal proceeding. (15 U. S. C. 901 (7)).

Importation. Means the bringing of firearms, or ammunition or cartridge cases, primers, bullets, or propellent powder, within the limits of the United States or any territory under its control or jurisdiction, from a place outside thereof (whether such place be a foreign country or territory subject to the jurisdiction of the United States), for purposes of sale or distribution.

Importer. Means any person who engages in the importation of firearms, or ammunition or cartridge cases, primers, bullets, or propellent powder for purposes of sale or distribution.

Includes and including. When used in a definition or statement in this part shall not be deemed to exclude other things otherwise within the scope thereof.

Interstate or foreign commerce. Means (a) commerce between any State, Territory, or possession (not including the Canal Zone), or the District of Columbia, and any place outside thereof; (b) commerce between points within the same State, Territory, or possession (not including the Canal Zone), or the District of Columbia, but through any place outside thereof; or (c) commerce within any Territory or possession or the District of Columbia.

License. Means a license issued under authority of section 3 (b) of the act (15 U. S. C. 903 (b)).

License fee. Means the annual fee payable by a manufacturer of, or dealer in, firearms or ammunition.

Licensed dealer. Means a dealer licensed under section 3 of the act (15 U. S. C. 903).

Licensed manufacturer. Means a manufacturer or importer licensed under section 3 of the act (15 U. S. C. 903).

Manufacturer. Means any person engaged in the manufacture or importation of firearms, or ammunition or cartridge cases, primers, bullets, or propellent powder, for purposes of sale or distribution.

Person. Includes an individual, partnership, association, or corporation.

Regional Commissioner. Means the Regional Commissioner of Internal Revenue in each of the internal revenue regions.

Secretary. Means the Secretary of the Treasury.

United States. Means the States, Territories or possessions (except the Canal Zone) and the District of Columbia. For the purpose of these regulations, a foreign trade zone established pursuant to the act of June 18, 1934 (48 Stat. 998) will have no special status but will be considered as an integral part of the United States.

SUBPART C—LICENSES

PERSONS REQUIRED TO PROCURE LICENSES

§ 177.20 *General.* Licensing requirements under the act are applicable to manufacturers, importers and dealers within the United States, or any Territory or possession (except the Canal Zone) under its control or jurisdiction, whose commercial operations include the transportation, shipment or receipt of firearms or ammunition in interstate or foreign commerce.

§ 177.21 *Manufacturer's license.* Any person engaged in the manufacture or importation of firearms (including any component part or appurtenance thereof) or ammunition or cartridge cases, primers, bullets, or propellent powder, for distribution at wholesale or retail, must obtain a Federal Firearms Act license as a manufacturer in order to lawfully transport, ship, or receive firearms or ammunition in interstate or foreign commerce. It is not necessary for a licensed manufacturer or importer to procure also a dealer's license. However, a person required to be licensed as a manufacturer does not comply with the provisions of the act respecting manufacturers merely by procuring a dealer's license.

§ 177.22 *Dealer's license.* Any person engaged in the business of selling firearms or ammunition or cartridge cases, primers, bullets or propellent powder, at wholesale or retail; or any person engaged in the business of repairing such firearms or of manufacturing or fitting special barrels, stocks, trigger mechanisms, or breech mechanisms, to firearms; or any person other than a licensed manufacturer engaged in the business of exporting firearms or ammunition, must obtain a Federal Firearms Act license as a dealer in order to lawfully transport, ship, or receive firearms or ammunition in interstate or foreign commerce.

§ 177.23 *Importer.* A person engaged in the importation of firearms or ammunition for sale or distribution is required to be licensed as a manufacturer even though he may not perform any manufacturing operations.

§ 177.24 *Gunsmith.* A person engaged in the business of repairing firearms, or of manufacturing or fitting special barrels, stocks, trigger mechanisms, or breech mechanisms to firearms, on an individual order basis, if not otherwise required to be licensed as a manufacturer, must be licensed as a dealer before he may lawfully transport, ship, or receive any firearm, including any part of such weapon, or ammunition in interstate or foreign commerce.

PERSONS NOT ENTITLED TO A LICENSE

§ 177.25 *Statutory restrictions.* A license shall not be issued to any person who is under indictment for, or has been convicted of a "crime of violence", or who is a "fugitive from justice", as defined in § 177.10. A license shall not be issued to any applicant within two years after the revocation of a previous license.

ISSUANCE OF A LICENSE

§ 177.26 *Application for an original license.* The application for an original license shall be made on Form 7 (Firearms), copies of which may be procured from any District Director of Internal Revenue. The application shall be filed with the District Director for the internal revenue district within which each place of business operated by the applicant is located. The application must contain all the information required by the form and must be accompanied by the appropriate license fee.

§ 177.27 *Application for renewal of license.* Prior to the expiration of a license, each licensee will receive a Form 8–A (Firearms) which should be executed and immediately returned with proper remittance to the District Director.

§ 177.28 *License fee.* In the case of a manufacturer (including importer) the license fee is $25 per annum, and in the case of a dealer, the license fee is $1 per annum.

§ 177.29 *Procedure by District Director.* Upon receipt of (a) a properly executed application for an original license on Form 7 (Firearms), or (b) a properly executed application for renewal of a license on Form 8–A (Firearms), accompanied by the required license fee, the District Director may make such inquiry as deemed necessary to determine the bona fides of the applicant. Upon determination that the applicant is lawfully entitled to a license, the District Director will issue such applicant a license on Form 8 (Firearms). Each license will bear an individual serial number and such number will be permanently assigned to the licensee to whom issued for so long as he maintains continuity of annual renewal.

§ 177.30 *Cancellation of license.* The District Director may cancel as null and void ab initio the license of any person shown by investigation and competent evidence to be or to have been in any one of the prohibited classes referred to in § 177.25, provided (a) the licensee is notified by registered mail, directed to his last known address, of the intention of the District Director to cancel the license, (b) such notification is accompanied by a statement of the reason or reasons for the proposed cancellation, and (c) the licensee is given an opportunity to show cause within 20 days after such notification is mailed why the license should not be canceled. If the licensee fails so to show cause the license will be canceled and the licensee will be so notified by registered mail.

SCOPE AND DURATION OF LICENSE

§ 177.31 *General.* A proper license shall entitle the person to whom issued to transport, ship and receive firearms or ammunition in interstate or foreign commerce, within the limitations of the act, for a period of one year from the date of issuance, subject, however, to suspension or revocation of the license at any time if the licensee is convicted of violation of any of the provisions of the act (see §§ 177.38 to 177.44), and to administrative cancellation of the license (see § 177.30). A license shall not be issued in any case for a period of less than one year.

§ 177.32 *License cannot be assigned or transferred.* A Federal Firearms Act license is not assignable or transferable under any circumstances and is valid only with respect to the operations of the person to whom issued.

§ 177.33 *Locations covered by license.* The license applies to the operations of the licensee at a specific location. Accordingly, a separate license must be obtained for each place at which the business of importing, manufacturing, selling, or distributing firearms or ammunition is conducted. However, no license is required to cover a separate warehouse used by a licensee solely for temporary storage of firearms or ammunition, provided appropriate records are maintained at the licensed premises served by such warehouse to show the receipt and disposition of such articles.

§ 177.34 *Removal of licensee.* A licensee may remove his business to a new location without procuring a new license. However, in every case, whether or not the removal is from one internal revenue district to another, prompt notification of the new location of the business must be given to:

(a) The District Director for the internal revenue district wherein the current license was originally issued;

(b) The District Director for the internal revenue district from which or within which the removal is made; and

(c) The District Director for the internal revenue district to which the removal is made.

In each instance the license must be submitted for endorsement to the District Director having jurisdiction over the internal revenue district to which removal is made. After endorsement of the license to show the new address, and the new license number, if any, the District Director will return the license to the licensee.

§ 177.35 *Discontinuance of business.* If a licensee permanently discontinues business, at any place of business, prompt notification thereof must be given to the District Director for the internal revenue district in which such business is discontinued. (See also § 177.51.)

§ 177.36 *State or other law.* The license confers no right or privilege to conduct business contrary to State law or other law. The holder of a license is not, by reason of such license, immune from punishment for dealing in firearms or ammunition in violation of the provisions of any State law or other law. Similarly, compliance with the provisions of any other law affords no immunity under the act.

§ 177.37 *License fee not refundable.* No refund of any part of the amount paid as a license fee shall be made where, for any reason, a licensee discontinues operations prior to the expiration of the period covered by the license. No refund shall be made if the license is suspended or revoked because of violation by the licensee of any provision of the act.

SUSPENSION AND REVOCATION OF LICENSE

§ 177.38 *General.* Section 3 (c) of the act (15 U. S. C. 903 (c)) provides that whenever any licensee is convicted of a violation of any of the provisions of the act, it shall be the duty of the clerk of the court to notify the Secretary of the Treasury within forty-eight hours after such conviction, and that the Secretary shall suspend the license during the period of appeal, if an appeal is noted, unless the required $1,000.00 bond is furnished by the licensee and he otherwise qualifies for continuance in business during the pendency of the appeal, and shall revoke the license if no appeal is noted or the conviction is not reversed on appeal. Accordingly, the Director, pursuant to the authority delegated to him to administer and enforce the act will proceed as provided in §§ 177.39 through 177.44, when notification of conviction of a licensee is received by him from the Secretary or otherwise.

§ 177.39 *Notice of suspension.* Upon receipt by the Director of notice of the conviction of a licensee of violation of any provision of the act, the Director shall immediately notify the licensee, by registered letter addressed to his last known address, that pursuant to requirements of the law his license stands suspended during the period in which an appeal from the conviction can be taken, and that if an appeal is taken within the required time the license will stand suspended until final action on the appeal. The licensee will also be notified by the Director that if no appeal from the conviction is taken within the required appeal time, or if upon timely appeal the conviction is not reversed, the license will be revoked. The licensee will also be notified by the Director that if he desires to continue in business during any period of suspension of the license he may do so only upon compliance with § 177.40.

§ 177.40 *Continuing business during appeal period and during pendency of appeal taken from conviction*—(a) *Application.* A licensee whose license is suspended on account of a conviction of violation of any provision of the act and who desires permission to continue in business during the appeal period and during the pendency of an appeal from such conviction shall file an application with the Director for such permission. The application shall be submitted under oath or be verified by a written declaration that it is made under penalties of perjury and fully set forth the grounds on which the application is based. The application shall be accompanied by a bond, running to the United States, in the penal sum of $1,000. The condition of the bond shall be that, until final disposition of the appeal, the licensee will comply in every respect with all the provisions of the act. As soon as possible after the receipt of the application and bond, the Director shall notify the applicant that, by direction of the Secretary, his application has been granted or denied, as the case may be.

(b) *Denial of application.* An application for permission to continue in business during the appeal period and during the pendency of an appeal from a conviction of violation of any provision of the act shall not be granted if on the facts of the case the applicant would not then be entitled to a license were he applying for a license (see § 177.25).

§ 177.41 *Duration of suspension.* In every case, the suspension of a license shall remain in effect until final action is taken upon the application, if made, for permission to continue in business during the appeal period and during the pendency of an appeal from the conviction. If such application is granted, the suspension is set aside until expiration of the appeal period without appeal being taken, thus necessitating revocation of the license; or, if an appeal is taken, until final action upon the appeal, at which time the case will be disposed of according to the outcome of the appeal.

§ 177.42 *Renewal of license during pendency of appeal.* The granting of an application to continue in business, as provided in § 177.40, does not extend the term of the license. If a license expires in the meantime, the licensee must procure a new license if he desires to continue to transport, ship, or receive firearms or ammunition in interstate or foreign commerce. The new license shall stand in place of, and be subject to the same conditions as, the old license, and the new license shall be subject to revocation if the conviction is not set aside.

§ 177.43 *Revocation of license.* If upon appeal the conviction of a lincensee of violation of any provisions of the act is not set aside, or if no appeal is filed, his license shall be immediately revoked pursuant to the provisions of section 3 (c) of the act and the Director shall immediately notify such person thereof by registered letter addressed to his last known address.

§ 177.44 *New license after revocation.* A person whose license has been revoked for violation of any provision of the act may, if otherwise entitled to a license (see § 177.25), again be licensed to transport, ship, or receive firearms or ammunition in interstate or foreign commerce, but not until the expiration of two years from the date of the revocation of the previous license. In such case, the application for the new license shall be filed with the District Director in accordance with the provisions of § 177.26.

SUBPART D—CONDUCT OF BUSINESS

§ 177.50 *Identification of firearms.* Each manufacturer and importer of a firearm shall identify it by stamping (impressing), or otherwise conspicuously placing or causing to be stamped (impressed) or placed thereon, in a manner not susceptible of being readily obliterated or altered, the name and location of the manufacturer or importer, and the serial number, caliber, and model of the firearm. However, where imported firearms are identified by the foreign manufacturer in a manner prescribed in the foregoing sentence, additional stamping will not be required if the information prescribed by this section appears. None of such information may be omitted except with the approval of the Director, Alcohol and Tobacco Tax Division, Internal Revenue Service, Washington 25, D. C.

§ 177.51 *Firearms records.* Each licensed manufacturer or dealer shall maintain complete and adequate records reflecting the receipt (whether by man-

ufacture, importation, acquisition from other licensees, or otherwise), and the disposition, at wholesale or retail, of all firearms (including firearms in an unassembled condition, but not including miscellaneous parts thereof) physically or constructively received or disposed of in the course of his business. Entries in such records shall be posted at the time of each transaction, or in each instance not later than the close of business on the day next succeeding the day on which the transaction occurs. The records prescribed by this subpart shall be in permanent form, separate and distinct from records pertaining to other merchandise handled by the licensee, and shall be retained permanently on the business premises until discontinuance of business by the licensee. Where the business is discontinued and succeeded by a new licensee, the records will appropriately reflect such facts and will be delivered to the succcessor. Where discontinuance of the business is absolute, the records will appropriately reflect that fact and will be delivered to the Director for permanent retention. The records shall show and include:

(a) A full and adequate description of each firearm, including (1) the manufacturer thereof; (2) the manufacturer's serial number stamped thereon; (3) the caliber or gauge of the firearm; (4) the model and type of firearm; and

(b) The name and address of each person from whom each firearm (if not the manufacturer's own product) was received together with the date of acquisition; and

(c) The disposition made of each firearm including the name and address of the person to whom sold and the date of disposition.

The prescribed format for the firearms record is as follows:

A B C Firearms Company, 123 Fourth Street, Baltimore, Md.

Manufacturer of Firearms—Federal Firearms Act License No. 52-1

Description of firearm					Receipt		Disposition	
Manufacturer	Serial No.	Caliber or gauge	Model	Type	Date	From whom (name and address or FFA license No.)	Date	To whom (name and address or FFA license No.)

§ 177.52 *Ammunition records.* Each manufacturer and dealer shall maintain, on the licensed premises, complete and adequate records reflecting the production or receipt and the disposition at wholesale or retail of all pistol or revolver ammunition. The ammunition shall be described as to manufacturer, type, caliber and quantity, and the identity of the persons from whom received and to whom sold must be shown.

§ 177.53 *Transactions between licensees.* Where firearms or ammunition are transferred between licensees, the Federal Firearms Act license number of the transferor or the transferee, as the case may be, may be entered in the records in lieu of the exact name and address of such transferor or transferee.

§ 177.54 *Over the counter sales to individuals.* Where disposition of firearms or ammunition is made by over the counter sale or distribution to individuals, the persons to whom the firearms or ammunition are sold, distributed or delivered will be required to acknowledge receipt thereof in their own handwriting in the record prescribed by this subpart.

§ 177.55 *Authority to examine records, etc.* Any internal revenue officer designated by the Director shall have authority to examine the books, papers and records kept by a licensee pursuant to the regulations in this part, and to examine his premises and stock, during regular business hours in the daytime. When such premises are open at night, such authorized officers may enter them while so open, in the performance of such authorized official duties.

§ 177.56 *Prohibited transactions.* To avoid transactions in violation of the Federal Firearms Act, licensees should be guided by the provisions of Subpart F of this part.

SUBPART E—EXEMPTIONS

§ 177.70 *General.* The provisions of the act do not apply:

(a) With respect to the transportation, shipment, receipt, or importation of any firearm, or ammunition, sold or shipped to, or issued for the use of—

(1) The United States or any department, independent establishment, or agency thereof;

(2) Any State, Territory, or possession, or the District of Columbia, or any department, independent establishment, agency, or any political subdivision thereof;

(3) Any duly commissioned officer or agent of the United States, a State, Territory, or possession, or the District of Columbia, or any political subdivision thereof;

(4) Any bank, public carrier, express, or armored-truck company organized and operating in good faith for the transportation of money and valuables, provided exemption is granted as prescribed in § 177.71; and

(5) Any research laboratory designated under § 177.72 and granted exemption thereunder; or

(b) With respect to:

(1) The transportation, shipment, or receipt of any antique or unserviceable firearms, or ammunition, possessed and held as curios or museum pieces; and

(2) Shipment of firearms and ammunition to institutions, organizations, or persons to whom such firearms and ammunition may be lawfully delivered by the Secretary of the Army, or the Secretary of the Air Force, and the transportation of such firearms and ammunition by their lawful possessors while they are engaged in military training or in competitions.

§ 177.71 *Bank, public carrier, express, or armored-truck company.* Any bank, public carrier, express, or armored-truck company organized and operating in good faith for the transportation of money and valuables, may procure an exemption upon application to the District Director for each district within which a place of business is located. Such application shall be submitted under oath or be verified by a written declaration that it is made under penalties of perjury and show the character of the business of the applicant and the purposes for which the exemption is requested. If the application and the purposes stated are bona fide, the exemption shall be granted. In all cases, as soon as possible after the receipt of the application, the District Director shall notify the applicant by letter that, by direction of the Secretary, the exemption is granted or denied, as the case may be.

§ 177.72 *Research laboratory.* A research laboratory desiring to procure an exemption under this subpart shall file an application with the Director. The application shall be submitted under oath or be verified by a written declaration that it is made under penalties of perjury and shall show (a) by whom and the purpose for which the laboratory was organized, (b) the source of the funds expended for the maintenance and operations of the laboratory, (c) the services performed by, and the operations of, the laboratory, and (d) the purposes for which the exemption is requested. The Director shall notify the applicant that, by direction of the Secretary, the application is granted, or denied, as the case may be.

SUBPART F—UNLAWFUL ACTS

§ 177.80 *License to operate.* It shall be unlawful for any manufacturer or dealer, except a manufacturer or dealer having a license issued under the provisions of the act, to transport, ship, or receive any firearm or ammunition in interstate or foreign commerce.

(15 U. S. C. 902 (a))

§ 177.81 *Transactions involving unlicensed operators.* It shall be unlawful for any person to receive any firearm or ammunition transported or shipped in interstate or foreign commerce in violation of section 2 (a) of the act (15 U. S. C. 902 (a)), knowing or having reasonable cause to believe such firearms or ammunition to have been transported or shipped in violation of said section.

(15 U. S. C. 902 (b))

§ 177.82 *Transactions in violation of State law.* It shall be unlawful for any licensed manufacturer or dealer to transport or ship any firearm in interstate or foreign commerce to any person other than a licensed manufacturer or dealer in any State the laws of which require that a (State) license be obtained for the

purchase of such firearm, unless such (State) license is exhibited to such manufacturer or dealer by the prospective purchaser.

(15 U. S. C. 902 (c))

§ 177.83 *Interstate deliveries to felons, etc.* It shall be unlawful for any person to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearm or ammunition to any person knowing or having reasonable cause to believe that such person is under indictment or has been convicted in any court of the United States, the several States, Territories, possessions, or the District of Columbia of a crime of violence or is a fugitive from justice.

(15 U. S. C. 902 (d))

§ 177.84 *Interstate transportation by felons, etc.* It shall be unlawful for any person who is under indictment or who has been convicted of a crime of violence or who is a fugitive from justice to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearm or ammunition.

(15 U. S. C. 902 (e))

§ 177.85 *Receipt by felons, etc.* It shall be unlawful for any person who has been convicted of a crime of violence or is a fugitive from justice to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce, and the possession of a firearm or ammunition by any such person shall be presumptive evidence that such firearm or ammunition was shipped or transported or received, as the case may be, by such person in violation of the act.

(15 U. S. C. 902 (f))

§ 177.86 *Interstate transportation of stolen firearms or ammunition.* It shall be unlawful for any person to transport or ship or cause to be transported or shipped in interstate or foreign commerce any stolen firearm or ammunition, knowing, or having reasonable cause to believe, same to have been stolen.

(15 U. S. C. 902 (g))

§ 177.87 *Receipt, etc., of stolen firearms or ammunition.* It shall be unlawful for any person to receive, conceal, store, barter, sell, or dispose of any firearm or ammunition or to pledge or accept as security for a loan any firearm or ammunition moving in or which is a part of interstate or foreign commerce, and which while so moving or constituting such part has been stolen, knowing, or having reasonable cause to believe the same to have been stolen.

(15 U. S. C. 902 (h))

§ 177.88 *Removal, etc., of manufacturer's serial number.* It shall be unlawful for any person to transport, ship, or knowingly receive in interstate or foreign commerce any firearm from which the manufacturer's serial number has been removed, obliterated, or altered, and the possession of any such firearm shall be presumptive evidence that such firearm was transported, shipped, or received, as the case may be, by the possessor in violation of the act.

(15 U. S. C. 902 (i))

SUBPART G—PENALTIES, SEIZURES AND FORFEITURES

§ 177.100 *Penalties.* Section 5 (a) of the act (15 U. S. C. 905 (a)), provides certain penalties for violation of the provisions of the act or the regulations in this part, and for knowingly making any false statement in applying for a license or exemption. With respect to transactions and dealings declared unlawful and in violation of the act, see section 2 of the act (15 U. S. C. 902).

§ 177.101 *Seizure and forfeiture.* Pursuant to section 5 (b) of the act (15 U. S. C. 905 (b)), any firearm or ammunition involved in any violation of the act or of the regulations in this part is subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms as defined in section 5848 of such Code, so far as applicable, extend to seizures and forfeitures incurred under the provisions of the act.

§ 177.102 *Disposition after forfeiture.* Any firearm or ammunition forfeited by reason of a violation of the act or any rules or regulations promulgated thereunder, the forfeiture of which firearm or ammunition has not been remitted or mitigated, shall be delivered to the Administrator of General Services, General Services Administration, for use or disposition as provided by law (63 Stat. 377).

[F. R. Doc. 57-3612; Filed, May 2, 1957; 8:47 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 928]

[Docket Nos. AO-227-A7 and AO-227-A7-RO1]

MILK IN NEOSHO VALLEY MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENT AND ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to a proposed marketing agreement and a proposed order, regulating the handling of milk in the Neosho Valley marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., not later than the close of business the 15th day after publication of this decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The hearing, on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order, as amended, were formulated, was conducted at Pittsburg, Kansas on May 15, 1956, pursuant to notice thereof which was issued on May 3, 1956 (21 F. R. 3082); and was reopened on February 25, 1957, pursuant to notice thereof which was issued on February 7, 1957 (22 F. R. 865).

The material issues of record were concerned with the following:

1. Whether the distribution of returns to producers should be by means of a marketwide pool or by individual-handler pools;

2. Whether location adjustments should be provided to handlers and producers;

3. Whether the equalizing assessments should be continued with respect to milk distributed from plants subject to other Federal orders;

4. Revision of the months during which the base-excess plan is operative and the providing of discounted bases for new shippers, and

5. Providing for equivalent prices in the event any of the specified prices should be unavailable.

Findings and conclusions. Upon the evidence adduced at the hearing and the record thereof it is hereby found and concluded that:

1. *Type of pooling.* The marketwide system of pooling and distributing returns to producers should be retained in preference to the individual-handler method of pooling.

At the original session of the amendment hearing a bargaining association of producers proposed a change to the individual-handler method of pooling. However, subsequent changes in marketing conditions prompted this association to request a reopening of the hearing for the primary purpose of reconsidering pooling.

An important element in deciding whether to adopt marketwide or individual handler pooling in any market is the degree in which handlers have become specialized in caring for the daily and seasonal reserve of milk. The Neosho Valley marketing area is characterized by a high degree of such handler specialization. Some handlers receive only such quantities of milk as are needed for bottling purposes while a cooperative association provides supplemental milk to those handlers and manufactures a large volume of the reserve milk of the market. In such circumstances a marketwide pool serves to equalize returns between those producers delivering to high utilization plants and to those delivering to plants which care for the reserve supply of the market.

Receipts of producer milk during 1956 increased more than 10 percent over receipts during 1955. While this increase in producer receipts can be attrib-

uted, in part, to an increase in the number of producers serving the market, by far the major portion of the increase in production must be attributed to a substantial increase in production per farm. Producer milk classified as Class I in 1956 increased only 5 percent over that so classified in 1955. Thus production has increased at a faster rate than has Class I sales, and the problem of surplus disposal has become more acute.

It appears likely that the increase in production per farm which has already occurred will be further stimulated by conversion to bulk tank. In January 1956 only 9 producers were equipped with bulk tanks and delivered 2.4 percent of the total milk in the market. By January 1957 there were 47 producers so equipped and they supplied 10.7 percent of total receipts. The bulk tanks represent a very substantial investment, and producers who acquire tanks commonly increased production in order to minimize their unit costs. In some nearby markets the conversion to bulk tank has proceeded at a very rapid rate. If the 1956 rate in the Neosho Valley is maintained or increased, the problem of caring for the milk and making equitable distribution of returns to producers will be intensified.

At the reopened session of the hearing certain handlers supported a change to individual-handler pooling. Their chief evidence was to incorporate by reference testimony on the subject at a hearing held in September, 1953. The issue of pooling was reviewed in detail by the Assistant Secretary in his decision issued February 12, 1954 (19 F. R. 907) and there is no present basis for reversing his conclusion that the marketwide system of pooling should be retained.

In connection with the proposed change in the type of pooling, consideration was given to appropriate modifications in the standards for determining which milk plants would be fully subject to regulation. In the absence of any modification in pooling, no changes in the pool plant definitions are provided herein.

Similarly, consideration was given to a plan for assigning reserve milk not physically received during the flush season at a regulated plant.

Under the marketwide pool, such milk can continue to be pooled as diverted milk, either by the handler at whose plant it is usually received or by a cooperative association.

2. *Location adjustments to handlers and producers.* A system of location adjustments should be provided in the order. They should apply to milk moved for Class I use in the marketing area from plants located at substantial distances outside of the area. Similarly, minimum payments to producers on all milk delivered by them to such plants should be reduced by the same rate.

Plants located at some distance from the market but subject to other Federal orders are already distributing milk in the Neosho area. Also it is conceivable that distant plants not subject to other orders may become regulated by this order. The operators of such plants would incur substantial transportation costs on the bulk or packaged milk before reaching any portion of the marketing area and should be allowed an offsetting credit in order to be fully competitive with regulated plants located within the marketing area.

No specific data on the costs of transporting milk in bulk or packaged form were presented at the hearing. However, the Class I price relationships between the Neosho Valley market and the adjoining markets of Ozarks and Tulsa were established on the basis of transportation costs. The Neosho Valley differential is 15 cents over that in the Ozarks area, for a distance of 75 miles between Joplin and Springfield. The Neosho Valley differential under the Tulsa Class I price is 23 cents, reflecting the Tulsa location adjustment for the 95–110 mile zone.

The location adjustment rates in nearby order areas where hauling costs might be expected to be most similar vary considerably. The Ozarks rate is 1.5 cents per 10 miles distance from the nearest point in the marketing area; the Tulsa rates are 15 cents in the 30–50 mile zone, 2 cents per 15 miles through 140 miles, and 1-cent per 15 miles beyond 140 miles; and the Kansas City rates are 16 cents in the 50–70 mile zone plus one-half cent per 10 miles thereafter.

The initial zone rate should not be as high as in the Kansas City or Tulsa markets since the Neosho Valley area is characterized by numerous small cities rather than by large centers of population. Accordingly, a rate of 10 cents should be established for the 50–60 mile zone, plus 2 cents for each additional 15-mile zone. The Neosho Valley marketing area is roughly rectangular, and distances should be measured from the four sizeable cities nearest the corners of the area; namely, Joplin, Missouri, in the southeast; Independence, Kansas, in the southwest; Chanute, Kansas, in the northwest; and Nevada, Missouri, in the northeast.

3. *Milk subject to other Federal orders.* The present order provides standards for determining whether a plant from which milk is distributed both in the Neosho Valley area and some other Federal order area shall be subject to this order or the other one. If such a plant is subject to another order, it will be largely exempt from the provisions of this order. The only significant obligation under the Neosho Valley order will be an equalizing payment on sales made in this area in the event the Class I prices in the other (primary) market are lower than the Neosho Valley Class I price. Moreover, the prices under the other order must average lower over a 12-month period before any payments are due; a seasonally low price for a few months may well be offset by higher prices during the remainder of the year. This provision should be retained.

This provision applies mainly to the Ozarks order since prices in the other order areas from which milk is marketed in the Neosho Valley area are generally higher. The amounts collected from those Ozarks handlers who sell milk in this area are returned to the Ozarks marketwide pool. The Ozarks handler who proposed eliminating the payment provision on milk sold in the Neosho Valley area from plants regulated under other orders was particularly critical of the lack of location adjustment on such sales. The location adjustments provided herein will apply to plants under other Federal orders as well as those subject to the Neosho Valley order and will correspondingly reduce any obligation of Ozarks handlers.

Another factor to be considered is that the Neosho Valley order was amended, effective February 1, 1955, to keep the Class I price as closely aligned as possible with the dissimiliar seasonal price patterns of the Ozarks and Tulsa-Muskogee orders. This device helps maintain appropriate Class I price relationships among the three markets.

In view of the modifications resulting from the location adjustments provided herein and the closer relationship of the Class I prices in the Neosho Valley and Ozarks orders, it is concluded that the payments on milk from other Federal orders should be retained.

4. *Base rating revision.* The base-operating period should be advanced one month to cover the period February through July, and the base-making period should be advanced one month to cover the period August through November.

Producers proposed that the base-operating period be changed to the 6-month period February-July instead of the present period of March through August. The plan should, of course, operate during those months when supplies are greatest in relation to Class I sales and bases should be set when supplies are lowest. Producers will thereby be encouraged to minimize production during the flush months and maximize it during the months when production is needed.

A review of order data, now available for the calendar years 1952–1956, discloses that in four of these years May was the month when supplies of producer milk were largest in relation to Class I sales. On the basis of the five-year experience, it appears that April is the month of second largest supplies, March and June rank close together as third and fourth, and February and July are close as fifth and sixth.

For the base-setting months, the data show that in 1952, October was the month of shortest production in relation to sales but that during the past two fall seasons August has been shortest. Over the 5-year period it appears that August and September are the shortest months, with October and July next. The general upward trend in production during the period make the short months appear somewhat earlier than seasonal influences alone would account for. However, it is plain that producers have responded to the incentive of the base plan and that at least a one-month earlier base-setting period should be adopted in order to encourage larger production in August and less in December. The change appears to be overdue, and should be adopted in 1957 instead of being deferred until 1958, as proposed.

It was also proposed by handlers that producers who are so new to the market as not to have established a base should be allowed to establish one at a discount, based on their production during the base-operating months. At the reopened hearing, handlers further proposed that established producers also be given the option of establishing a new base, under the same conditions as a new producer.

It is apparent, however, that such modifications would seriously reduce the effectiveness of the base plan in leveling the seasonality of production. The base-operating months are those in which supplies are greatest in relation to demand. During these months, the need for minimizing flush production is clearly of primary importance. Accordingly, the proposals for new bases to new and old shippers should not be adopted.

5. *Equivalent prices.* The order should include a provision that whenever a price quotation is not available, a price which is determined by the Secretary to be equivalent should be used. Price series may be unavailable through such causes as failures to report, termination of market quotations resulting from changes in dairy marketing and, combining or termination of other Federal orders.

The combining of the Tulsa-Muskogee and Oklahoma City orders into the Oklahoma Metropolitan order necessitates a change in the Neosho Valley order. Under the Oklahoma Metropolitan order the Class I price at plants located in the Tulsa zone is 10 cents lower than the announced price at plants within 50 miles of the City Hall in Oklahoma City. Accordingly, upon effectuation of the combined order, the Neosho Valley Class I price should be related to the Oklahoma Metropolitan Class I price less 33 cents instead of to the Tulsa-Muskogee Class I price less 23 cents.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order, as amended, and as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Rulings on proposed findings and conclusions. Briefs were filed on behalf of producers and handlers. The briefs contained proposed findings of fact, conclusions and argument with respect to the proposals discussed at the hearing. Every point covered in the briefs was carefully considered along with the evidence in the record in making the findings and reaching the conclusions hereinbefore set forth. To the extent that such suggested findings and conclusions contained in the briefs are inconsistent with the findings and conclusions contained herein the request to make such findings or to reach such conclusions are denied on the basis of the facts found and stated in connection with the conclusions in this decision.

Recommended marketing agreement and order amending the order. The following order amending the order regulating the handling of milk in the Neosho Valley marketing area is recommended as the appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be identical with those contained in the order, as hereby proposed to be amended:

1. In § 928.51, change the phrase "Subject to the provisions of § 928.52" to read "Subject to the provisions of §§ 928.52 and 928.53".

2. In the second proviso of § 928.51 (a), change the phrase "Tulsa-Muskogee, Oklahoma, marketing area, less 23 cents" to read "Oklahoma Metropolitan marketing area, less 33 cents".

3. Add a § 928.53, to read as follows:

§ 928.53 *Location adjustments to handlers.* For milk which is received from producers at an approved plant located more than 50 miles by shortest highway distance, as determined by the market administrator, from the City Hall in Joplin or Nevada, Missouri, or Chanute or Independence, Kansas, whichever is closest, and which is classified as Class I milk the prices computed pursuant to § 928.51 (a) shall be reduced by 10 cents if such plant is located more than 50 miles but not more than 60 miles from such city hall and by an additional 2.0 cents for each 15 miles or fraction thereof that such distance exceeds 60 miles.

4. Add a § 928.54, to read as follows:

§ 928.54 *Use of equivalent price.* If for any reason a price quotation required by this part for computing class prices or for any other purpose is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price which is required.

5. In § 928.71, change the phrase "each delivery period of September through February" to read "each delivery period of August through January".

6. In § 928.71, redesignate paragraphs "(d)" and "(e)" as "(e)" and "(f)", respectively, and add a new paragraph (d) as follows:

(d) Add the aggregate of the value of all allowable location adjustments to producers pursuant to § 928.91 (b);

7. In §§ 928.72, 928.80, and 928.81, change the phrase "each of the delivery periods of March through August" to read "each of the delivery periods of February through July".

8. In § 928.72 redesignate paragraphs "(d)", "(e)", "(f)", "(g)", and "(h)", as "(e)", "(f)", "(g)", "(h)", and "(i)" respectively and add a new paragraph (d), as follows:

(d) Add the aggregate of the value of all allowable location adjustments to producers pursuant to § 928.91 (b).

9. In § 928.80, change the phrase "preceding delivery periods of September through December" to read "preceding delivery periods of August through November".

10. Change § 928.91 to read as follows:

§ 928.91 *Producer butterfat and location differentials.*—(a) *Butterfat differential.* In making payments pursuant to § 928.90 (b), there shall be added to or subtracted from the uniform price for each one-tenth of 1 percent that the average butterfat content of the milk received from the producer is above or below 4.0 percent, an amount computed by multiplying by 1. 2 the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter per pound at Chicago as reported by the Department during the month, dividing the resulting sum by 10, and rounding to the nearest one-tenth of a cent.

(b) *Location differential.* For milk which is received from producers at an approved plant located more than 50 miles by shortest highway distance, as determined by the market administrator, from the City Hall in Joplin or Nevada, Missouri or Chanute or Independence, Kansas, whichever is closest, there shall be deducted 10 cents per hundredweight of milk if such plant is located more than 50 miles but not more than 60 miles from such city hall, and an additional 2.0 cents for each 15 miles or fraction thereof that such distance exceeds 60 miles.

Filed at Washington, D. C., this 30th day of April 1957.

[SEAL] ROY W. LENNARTSON,
Deputy Administrator.

[F. R. Doc. 57-3630; Filed, May 2, 1957; 8:51 a. m.]

[7 CFR Part 943]

[Docket No. AO-231-A9]

MILK IN NORTH TEXAS MARKETING AREA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER AMENDING THE ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Dallas, Texas, on March 19 and 20, 1957, pursuant to notice thereof

which was issued on March 1, 1957 (22 F. R. 1402).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on April 12, 1957, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision with respect to the proposal relating to Class I pricing, and notice of opportunity to file exceptions thereto which was published in the FEDERAL REGISTER on April 17, 1957 (22 F. R. 2675).

The material issues findings and conclusions (including the general findings) of the recommended decision (22 F. R. 2675; Doc. 57-3082) are hereby approved and adopted by this decision as if set forth in full herein subject to the following revision:

Immediately preceding the paragraph headed "General Findings" in column 2, 22 F. R. 2676, insert the following:

In order to cushion the effect of the sharp drop in the Class I price which has occurred in recent months as a result of adjustment from a combination of factors existing under drought conditions, the supply-demand adjustment should be fixed so that it will not deduct more than 12 cents from the Class I price during the months of May and June 1957.

Heavy rains which have been general throughout most of Texas since January 1957 have greatly improved pasture conditions and have resulted in an unexpected and substantial increase in receipts of producer milk. In consequence the supply-demand adjustment factor, if permitted to operate freely, would be minus 24 cents for the month of May and would reduce the Class I price by at least that much for the month of June. An adjustment of this amount coupled with the seasonal drop in the Class I differential which occurred on April 1, and the termination of the drought relief program on April 15, could have an adverse effect on dairying if production conditions were to worsen.

Fixing the maximum effect of the supply-demand adjustment at minus 12 cents for May and June will stabilize the Class I price during the period of unusually heavy production prevailing at the present time. It will prevent a decline in price that could prove to be temporary in nature should the existing relationship of receipts to Class I sales be short lived.

In July, the Class I differential will be increased seasonally. This should prevent any decline in the level of the Class I price at that time should producer receipts in relation to Class I sales remain at present relative levels.

Rulings on exceptions. Within the period reserved therefor, interested parties filed exceptions to certain of the findings, conclusions, and actions recommended by the Deputy Administrator. In arriving at the findings, conclusions and regulatory provisions of this decision, each of such exceptions was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings, conclusions and actions decided upon herein are at variance with any of the exceptions, such exceptions are overruled.

To the extent that suggested findings and conclusions proposed by interested parties are inconsistent with the findings and conclusions contained herein, the specific or implied requests to make such findings and reach such conclusions are denied on the basis of the facts found and stated in connection with the conclusions herein set forth.

The month of January 1957 is hereby designated as the representative period for the purpose of ascertaining whether the issuance of the order amending the order, as amended, regulating the handling of milk in the North Texas marketing area in the manner set forth in the attached amending order is approved or favored by producers who, during such period, were engaged in the production of milk for sale in the marketing area specified in such order.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively "Marketing agreement regulating the handling of milk in the North Texas marketing area" and "Order amending the order, as amended, regulating the handling of milk in the North Texas marketing area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order, as amended, and as hereby proposed to be further amended by the attached order which will be published with this decision.

This decision filed at Washington, D. C., this 29th day of April 1957.

[SEAL] EARL L. BUTZ,
Acting Secretary.

Order[1] Amending the Order, as Amended, Regulating the Handling of Milk in the North Texas Marketing Area

§ 943.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order, and of the previously issued amendments thereto and all said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the North Texas marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the North Texas marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, as follows:

Delete § 943.51 (a) (1) and (2) and substitute therefor the following:

(1) Divide the total receipts of producer milk under this part and Parts 949, 952, 982 and 998 of this chapter regulating the handling of milk in the North Texas, San Antonio, Austin-Waco, Central West Texas and Corpus Christi marketing areas, respectively, during the second and third months preceding by the total gross volume of Class I milk (excluding interhandler transfers and any intermarket transfers that would result in the same milk being accounted for a second time as Class I milk) under such orders during the same months, multiply the result by 100 and round to the nearest whole number. The result shall be known as the Class I utilization percentage;

(2) Compute a "net deviation percentage" as follows:

(i) If the Class I utilization percentage is neither less than the minimum standard utilization percentage specified below nor in excess of the maximum standard utilization percentage specified below, the net deviation percentage is zero.

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

(ii) Any amount by which the Class I utilization percentage is less than the minimum standard utilization percentage specified below is a "minus net deviation percentage", and

(iii) Any amount by which the Class I utilization percentage exceeds the maximum standard utilization percentage specified below is the "plus net deviation percentage":

Month for which price applies	Months used in computation	Standard utilization percentages	
		Minimum	Maximum
January	October–November	105	107
February	November–December	109	111
March	December–January	111	113
April	January–February	111	113
May	February–March	113	115
June	March–April	120	122
July	April–May	124	126
August	May–June	121	123
September	June–July	117	119
October	July–August	108	110
November	August–September	103	105
December	September–October	103	105

(3) For a "minus net deviation percentage" the Class I price shall be increased and for a "plus net deviation percentage" the Class I price shall be decreased as follows:

(i) One cent for each such percentage point of net deviation;

(ii) One cent for the lesser of:

(a) Each such percentage point of net deviation, or

(b) Each percentage point of net deviation of like direction (plus or minus, with any net deviation of opposite direction considered to be zero for purposes of computations of this subparagraph) computed pursuant to subparagraph (2) of this paragraph for the month immediately preceding; plus

(iii) One cent for the least of:

(a) Each such percentage point of net deviation,

(b) Each percentage point of net deviation of like direction computed pursuant to subparagraph (2) of this paragraph for the month immediately preceding, or

(c) Each percentage point of net deviation of like direction computed pursuant to subparagraph (2) of this paragraph for the second preceding month;

(4) For the months of May and June 1957, any minus net deviation resulting from the supply-demand adjustment applicable to the price for Class I milk shall be limited to not more than 12 cents.

[F. R. Doc. 57-3609; Filed, May 2, 1957; 8:46 a. m.]

Commodity Stabilization Service

[7 CFR Part 814]

Mainland Cane Sugar Area

Notice of Recommended Decision and Opportunity to File Written Exceptions With Respect to Allotment of 1957 Sugar Quota

Pursuant to the provisions of the Sugar Act of 1948, as amended (7 U. S. C. 1100 et. seq., hereinafter referred to as the "act"), and the applicable rules of practice and procedure (21 F. R. 4251) notice is hereby given of the filing with the Hearing Clerk of the Recommended Decision of the Administrator, Commodity Stabilization Service, United States Department of Agriculture, with respect to a proposed order of the Secretary of Agriculture for the allotment of the 1957 sugar quota for the Mainland Cane Sugar Area. Interested persons may file written exceptions to this recommended decision and proposed order, together with supporting reasons therefor, with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., within 10 days after the date of filing of the recommended decision with the Hearing Clerk, which date shall be the date of publication of this notice in the FEDERAL REGISTER. The date of filing of written exceptions with the Hearing Clerk by mail shall be the postmark date of submission of such exception.

Preliminary statement. Section 205 (a) of the act requires the Secretary to allot a quota whenever he finds that the allotment is necessary, among other things to (1) prevent disorderly marketing of sugar or liquid sugar and (2) afford all interested persons an equitable opportunity to market sugar or liquid sugar. Section 205 (a) also requires that such allotment be made after such hearing and upon such notice as the Secretary may prescribe.

Pursuant to the applicable rules of practice and procedure (21 F. R. 4251), a preliminary finding was made that allotment of the quota is necessary, and a notice was published on March 1, 1957 (22 F. R. 1298), of a public hearing to be held at New Orleans, Louisiana, in the Monteleone Hotel, on March 15, 1957, at 10:00 a. m., c. s. t., for the purpose of receiving evidence to enable the Secretary (1) to affirm, modify or revoke the preliminary finding of necessity for allotments (2) to establish fair, efficient and equitable allotments of the 1957 quota for the Mainland Cane Sugar Area for the calendar year 1957 (3) to revise or amend the allotment of the quota for the purpose of (a) allotting any increase or decrease in the quota, (b) prorating any deficit in the allotment for any allottee and (c) substituting final data for estimates of such data; and (4) make provisions for the transfer and exchange of allotments.

The hearing was held at the place and time specified in the notice and testimony was given with respect to all of the issues referred to in the hearing notice.

Basis for recommended findings and conclusions. Section 205 (a) of the act reads in pertinent part as follows:

* * * Allotments shall be made in such manner and in such amounts as to provide a fair, efficient, and equitable distribution of such quota or proration thereof, by taking into consideration the processings of sugar or liquid sugar from sugar beets or sugarcane to which proportionate shares, determined pursuant to the provisions of subsection (b) of Section 302, pertained; the last marketings or importations of each such person and the ability of such person to market or import that portion of such quota or proration thereof allotted to him * * *.

The record of the hearing indicates that the prospective supply of mainland cane sugar available for marketing in 1957 exceeds the quota for that area to an extent that allotment of the quota is necessary (R. 8).

All three factors specified in the provision of law quoted above have been considered and each is given a percentile weighting by the formula on which this recommended allotment of the 1957 Mainland Cane Sugar Area quota is based. That formula follows the proposal made in the record in regard to the measures and weightings of factors to be used for determining allotments (R. 20, 21 Ex. 8) and all processors of the area joined in recommending its adoption (R. 26) and no separate Government proposal was made.

The Government witness introduced for the record annual data on processings, past marketings and inventories for the period 1948 through 1956 (R. 9, 11, Ex. 5, 6).

The record of the hearing contains only a single proposal or recommendation on each of the matters with respect to which a finding or conclusion is made in this order, and each such proposal or recommendation either was concurred in by all interested persons or no alternative or dissenting view was expressed.

Recommended findings and conclusions. On the basis of the record of the hearing, I hereby find and conclude that:

(1) January 1, 1957, effective inventories of mainland cane sugar approximate 350,000 short tons, raw value. With a quota of 601,250 tons, such inventories limit 1957 marketings of 1957-crop mainland cane sugar to about 250,000 tons. New-crop marketings during the period 1948–52, when marketings were unrestricted, ranged from a low of about 275,000 tons to a high of about 435,000. Thus, the supply of sugar available for marketing in 1957 is expected to greatly exceed any statutory quota that may be established.

(2) The supply situation makes necessary the allotment of the 1957 sugar quota for the Mainland Cane Sugar Area to assure an orderly flow of such sugar in the channels of interstate commerce, to prevent disorderly marketing of sugar, and to afford all interested persons equitable opportunities to market sugar within the quota.

(3) Processings of all sugar from 1956-crop sugarcane by each processor, exclusive of known quantities of sugar produced from sugarcane to which proportionate shares did not pertain, is a fair, efficient and equitable measure of processings of sugar from the 1956-crop of sugarcane to which proportionate shares pertained.

(4) An allotment of 100 short tons, raw value, should be established for the Louisiana State University and the balance of any quota, established for the area should be allotted in accordance with the method set forth in (5) and (6), below.

(5) For processors other than the Louisiana State University each of the

three factors specified in Sec. 205 (a) of the act shall be measured and weighted, and allotments determined as follows, based on data in the hearing record and final data of which official notice will be taken.

(a) The factor processings from proportionate shares should be measured by each processor's production of sugar from 1956-crop sugarcane, in short tons, raw value, exclusive of known quantities of sugar produced from sugarcane to which proportionate shares did not pertain, expressed as a percentage of the total of the measure for all processors, and weighted by 60 percent.

(b) The factor past marketings should be measured by each processor's average annual marketings within his allotment for the years 1952 through 1956, in short tons, raw value, expressed as a percentage of the total for all processors of the measure, and weighted by 20 percent.

(c) The factor ability to market should be measured by the sum of (1) each processor's January 1, 1957, effective inventory and (2) his share of the difference between 601,150 short tons, raw value, and total January 1, 1957, effective inventories of all processors. Each processor's share of such difference shall be determined by applying to the area total difference the percentage that his average 1952–56 new-crop marketings within the processor's allotments were of the area average. The sum of (1) and (2), above, in short tons, raw value, expressed as a percentage of the total of the measure of all processors should be weighted by 20 percent.

(d) The total of the percentages resulting from (a), (b) and (c), above, for each processor should be multiplied by the quota, or portion thereof, to be allotted to determine his allotment in short tons, raw value.

(6) The quantities of sugar and the percentages referred to in paragraph (5), above, based on data involving estimates for 1956 processings, 1956 marketings and January 1, 1957, inventories which should be used in determining allotments pending the availability and substitution of final data for such estimates, and as adjusted for findings made in (7), (8) and (9), are set forth in the following table:

Processor	Processings of sugar from 1956-crop cane		Past marketings average within allotments, 1952–56		Ability to market					Processor's percentage share of quota to be alloted [2]
					Effective inventory 1–1–57	New-crop marketings		Measures Used		
	Short tons, raw value	Percent of total	Short tons, raw value	Percent of total		Average within allotments 1952–56	"Shares" of Difference [1]	Col. (5) plus col. (7)	Percent of total	
					Short tons, raw value					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Albania Sugar Coop., Inc.	5,961	1.084	5,763	1.070	2,521	4,382	4,155	6,676	1.111	1.087
Alma Plantation, Ltd.	7,754	1.410	6,366	1.182	3,907	4,954	4,698	8,605	1.431	1.369
J. Aron & Co., Inc.	12,238	2.226	11,516	2.139	5,779	8,224	7,798	13,577	2.259	2.215
Billeaud Sugar Factory	7,512	1.366	8,237	1.530	1,807	6,850	6,495	8,302	1.381	1.402
Breaux Bridge Sugar Coop., Inc.	6,064	1.103	6,594	1.225	1,778	5,307	5,032	6,810	1.133	1.133
J. M. Burguieres Co., Ltd., The	7,414	1.348	5,565	1.034	4,141	4,169	3,953	8,094	1.346	1.285
Burton-Sutton Oil Co., Inc.	7,462	1.357	5,684	1.056	6,544	1,170	1,109	7,653	1.273	1.280
Caire & Graugnard	3,039	.553	3,090	.574	889	2,576	2,443	3,332	.554	.557
Caldwell Sugar Coop., Inc.	9,920	1.804	10,152	1.886	5,015	6,268	5,943	10,958	1.823	1.824
Catherine Sugar Co., Inc.	7,327	1.333	8,198	1.523	2,781	6,028	5,716	8,497	1.413	1.387
Columbia Sugar Co.	5,733	1.043	4,815	.894	3,993	1,907	1,808	5,801	.965	.998
Cora-Texas Mfg. Co., Inc.	2,662	.484	2,143	.398	1,725	1,160	1,100	2,825	.470	.464
Dugas & LeBlanc, Ltd.	11,313	2.058	10,250	1.904	5,105	7,493	7,105	12,210	2.031	2.022
Duhe & Bourgeois Sugar Co., Inc.	9,135	1.661	7,532	1.399	4,934	5,297	5,023	9,957	1.656	1.608
Erath Sugar Co., Ltd.	4,352	.791	4,892	.909	846	4,189	3,972	4,818	.801	.817
Evan Hall Sugar Coop., Inc.	19,967	3.631	18,252	3.390	9,289	13,554	12,852	22,141	3.683	3.593
Evangeline Pepper & Food Prod., Inc.	4,232	.770	4,883	.907	704	4,214	3,996	4,700	.782	.800
Fellsmere Sugar Prod. Assoc.	6,400	1.164	8,765	1.628	6,831	605	574	7,405	1.232	1.270
Frisco Cane Co., Inc.	780	.142	728	.135	514	480	455	969	.161	.144
Glenwood Coop., Inc.	14,046	2.555	12,869	2.390	7,559	7,814	7,409	14,968	2.490	2.509
Gulf States Land & Industries, Inc.	18,159	3.303	18,993	3.528	9,975	9,715	9,212	19,187	3.192	3.326
Helvetia Sugar Coop., Inc.	8,384	1.525	5,975	1.110	4,962	4,540	4,305	9,267	1.542	1.445
Iberia Sugar Coop., Inc.	13,183	2.398	12,796	2.377	4,480	10,491	9,948	14,428	2.400	2.394
LaFourche Sugar Company	13,112	2.385	12,862	2.389	6,038	8,861	8,402	14,440	2.402	2.389
Harry L. Laws & Co., Inc.	9,999	1.819	8,287	1.539	5,402	6,046	5,733	11,135	1.852	1.769
Levert-St. John, Inc.	7,947	1.445	9,070	1.685	1,207	7,983	7,570	8,777	1.460	1.496
Loisel Sugar Co., Inc.	4,793	.872	5,916	1.099	877	4,448	4,218	5,095	.848	.913
Louisiana State Penitentiary	2,747	.500	2,837	.527	901	1,940	1,840	2,741	.456	.497
Lula Factory, Inc.	10,008	1.820	10,375	1.927	3,642	7,968	7,555	11,197	1.863	1.850
Meeker Sugar Coop., Inc.	4,472	.813	3,221	.598	2,348	2,573	2,440	4,788	.796	.767
Milliken & Farewell, Inc.	11,790	2.144	10,720	1.991	6,810	6,122	5,805	12,615	2.099	2.104
National Sugar Refining Co., The	11,714	2.130	12,662	2.352	6,258	6,477	6,142	12,400	2.063	2.161
Okeelanta Sugar Refinery, Inc.	15,000	2.728	11,809	2.193	15,873	906	944	16,817	2.797	2.635
M. A. Patout & Son, Ltd.	8,902	1.619	7,903	1.468	3,590	6,324	5,997	9,587	1.595	1.584
Poplar Grove Plte. & Ref. Co., Inc.	6,580	1.197	5,947	1.104	2,931	4,632	4,392	7,323	1.218	1.183
St. James Sugar Coop., Inc.	11,465	2.085	10,545	1.959	5,849	7,467	7,080	12,929	2.151	2.073
St. Mary Sugar Coop., Inc.	11,061	2.012	11,755	2.183	2,314	10,176	9,649	11,963	1.990	2.042
South Coast Corp.	38,826	7.061	38,715	7.191	22,999	18,772	17,800	40,799	6.787	7.032
Southdown Sugars, Inc.	37,897	6.892	37,628	6.989	27,251	11,948	11,329	38,580	6.418	6.816
Sterling Sugars, Inc.	18,618	3.386	15,731	2.922	10,181	10,992	10,423	20,604	3.427	3.301
J. Supple's Sons Plte. Co., Inc.	4,859	.884	3,732	.693	3,081	2,261	2,144	5,225	.869	.843
United States Sugar Corp.	98,000	17.823	102,625	19.061	104,292	7,545	7,154	111,446	18.539	18.214
Valentine Sugars, Inc.	8,711	1.584	11,011	2.045	5,235	4,438	4,208	9,443	1.571	1.673
Vermilion Sugar Co., Inc.	2,119	.385	2,477	.460	000	2,371	2,248	2,248	.374	.398
Vida Sugars, Inc.	3,949	.718	4,357	.809	643	3,858	3,658	4,301	.715	.736
A. Wilbert's Sons Lbr. & Sh. Co.	8,718	1.586	7,636	1.418	4,469	5,397	5,118	9,587	1.595	1.554
Young's Industries, Inc.	5,514	1.003	6,514	1.210	958	5,244	4,972	5,930	.986	1.041
Total	549,838	100.000	538,393	100.000	339,228	276,226	261,922	601,150	100.000	100.000

[1] The difference between 601,150 tons (quota established by S. R. 811, Amdt. 1, amounting to 601,250 tons less 100-ton allotment to Louisiana State University) and 339,228 tons (1–1–57 effective inventory) amounting to 261,922 tons prorated on the basis of each processor's 1952–56 average new-crop marketings within allotments (Col. 6).

[2] Determined by weighting "processings" (Col. 2) by 60 percent "marketings" (Col. 4) by 20 percent; and "ability" (Col. 9) by 20 percent.

(7) Sterling Sugars, Inc., shall succeed to all interest in the historical data, pertinent to determining allotments, of the former allottee, Alice C. Plantation and Refinery, Inc.

(8) The following processors shall succeed to the interest in the historical data, pertinent to determining allotments, of the former allottee, Slack Bros., Inc., to the extent shown: Alma Plantation, Ltd., 0.689 percent; Catherine Sugar Company, Inc., 76.928 percent; Milliken and Farwell, Inc., 5.854 percent, and Poplar Grove Planting and Refining Co., 16.529 percent.

(9) The following processors shall succeed to the interest in the historical data, pertinent to determining allotments, of the former allottee, Smedes Bros., Inc., to the extent shown: Albania Sugar Co., Inc., 2.857 percent; Billeaud Sugar Factory, 16.504 percent; Breaux Bridge Sugar Coop., Inc., 3.798 percent; Columbia Sugar Co., 0.471 percent; The J. M. Burguieres Sugar Co., Inc., 9.479 percent; Duhe & Bourgeois Sugar Co., Inc., 4.739 percent; Erath Sugar Co., Ltd., 7.127 percent; Evangeline Pepper & Food Products, Inc., 6.151 percent; Iberia Sugar Coop., Inc., 9.479 percent; Levert-St. John, Inc., 7.126 percent; Loisel Sugar Co., Inc., 6.655 percent; M. A. Patout & Sons, Ltd., 9.479 percent; Vermilion Sugar Co., Inc., 2.387 percent, and Young's Industries, Inc., 13.748 percent.

(10) To prevent any allottee from marketing a quantity of sugar in excess of his final 1957 allotment to be established later on the basis of final data, allotments established by this order should be limited to 90 percent of the quota of 601,250 short tons, raw value, established in S. R. 811, Amendment 1 (22 F. R. 369, 423), pending the allotment of the quota based upon final data and any allotment order based on final data should limit either allotments or marketings chargeable to allotments to conform with limitations on the use of quota established in § 811.86 of S. R. 811 (21 F. R. 10332).

(11) The order shall be revised without further notice or hearing, for the purpose of (a) substituting final data for estimated data on 1956-crop processings, 1956-marketings and January 1, 1957, inventories used in measuring the factors, when such data become part of the official records of the Department; (b) allotting any quantity of an allotment to other allottees, when written notification of release of such allotment becomes part of the official records of the Department; (c) allotting any area deficit to which the Mainland Cane Sugar Area may become beneficiary and (d) making allotments to give effect to any change in quota due to action pursuant to sections 201 and 202 (a) of the act. Revisions of allotments due to a change referred to in (b), (c) or (d), above, shall be made by increasing or decreasing proportionately, the allotments otherwise established by this proceeding except that the quantity prorated to any allottee shall be limited in accordance with statements in writing from allottees releasing allotments in excess of specific quantities.

(12) Official notice will be taken of written notification to the Sugar Division by an allottee that he is unable to fill part of his allotment when the notification becomes a part of the official records of the Department, any regulation issued by the Secretary which changes the 1957 Mainland Cane Sugar Area quota or limits the use of a portion of such quota, and final data for 1956-crop processings, 1956 marketings and January 1, 1957, inventories that became a part of the official records of the Department.

(13) To facilitate full and effective use of allotments, provision shall be made in the order for transfer of allotments under circumstances of a succession of interest, and under circumstances involving an allottee becoming unable to process sugarcane and such sugarcane as he would normally process, if operating, is processed by other allottees.

(14) To aid in the efficient movement and storage of sugar, provision shall be made to enable a processor to market a quantity of sugar of his own production in excess of his allotment equivalent to the quantity of sugar which he holds in storage and which was acquired by him within the allotment of another allottee of the 1957 Mainland Cane Sugar Area quota.

(15) Allotments established in the foregoing manner and in the amounts set forth in the order provide a fair, efficient and equitable distribution of any 1957 quota that may be established for the Mainland Cane Sugar Area as required by section 205 (a) of the act.

Recommended order. Pursuant to the authority vested in the Secretary of Agriculture by section 205 (a) of the act, it is hereby ordered that § 814.24 be amended to read as follows:

§ 814.24 *Allotment of the 1957 sugar quota for the Mainland Cane Sugar Area*—(a) *Allotments.* The 1957 sugar quota for the Mainland Cane Sugar Area is hereby allotted, to the extent shown in this section, to the following processors in amounts which appear opposite their respective names:

Processors	Allotments (short tons, raw value)
Albania Sugar Coop., Inc	5,881
Alma Plantation, Ltd	7,407
J. Aron & Co., Inc	11,984
Billeaud Sugar Factory	7,585
Breaux Bridge Sugar Coop	6,130
J. M. Burguieres Co., Ltd., The	6,952
Burton-Sutton Oil Co., Inc	6,925
Caire & Graugnard	3,014
Caldwell Sugar Coop., Inc	9,868
Catherine Sugar Co., Inc	7,504
Columbia Sugar Company	5,400
Cora-Texas Mfg. Co., Inc	2,510
Dugas & LeBlanc, Ltd	10,940
Duhe & Bourgeois Sugar Co., Inc	8,700
Erath Sugar Co., Ltd	4,420
Evan Hall Sugar Coop., Inc	19,439
Evangeline Pepper & Food Products, Inc	4,328
Fellsmere Sugar Producers Assoc	6,871
Frisco Cane Co., Inc	779
Glenwood Coop., Inc	13,575
Gulf States Land & Industries, Inc	17,995
Helvetia Sugar Coop., Inc	7,818
Iberia Sugar Coop., Inc	12,952
LaFourche Sugar Company	12,925
Harry L. Laws & Co., Inc	9,571
Levert-St. John, Inc	8,094
Loisel Sugar Co., Inc	4,940
Louisiana State Penitentiary	2,689
Lula Factory, Inc	10,009
Meeker Sugar Coop., Inc	4,150
Milliken & Farwell, Inc	11,383
National Sugar Refining Co	11,692
Okeelanta Sugar Refinery, Inc	14,256
M. A. Patout & Son, Ltd	8,570
Poplar Grove Pltg. & Ref. Co., Inc	6,400
St. James Sugar Coop., Inc	11,216
St. Mary Sugar Coop., Inc	11,048
South Coast Corp	38,046
Southdown Sugars, Inc	36,877
Sterling Sugars, Inc	17,860
J. Supple's Sons Pltg. Co., Inc	4,561
United States Sugar Corp	98,544
Valentine Sugars, Inc	9,052
Vermilion Sugar Co., Inc	2,153
Vida Sugars, Inc	3,982
A. Wilbert's Sons Lbr. & Sh. Co	8,408
Young's Industries, Inc	5,632
Louisiana State University	90
All other persons	00
Subtotal	541,125
Unallotted	60,125
Total	601,250

(b) *Restrictions on shipment and marketing.* During the calendar year 1957 each person named in paragraph (a) of this section, and any other person, is hereby prohibited from marketing in interstate commerce or in competition with sugar or liquid sugar shipped, transported or marketed in interstate commerce or foreign commerce, any sugar or liquid sugar produced from sugarcane grown in the Mainland Cane Sugar Area in excess of his allotment established in paragraph (a) of this section.

(c) *Transfer of allotments.* The Director of the Sugar Division, Commodity Stabilization Service, of the Department, may permit marketings to be made by one allottee, or other person, within the allotment established for another allottee upon relinquishment by such allottee of a quantity of its allotment and upon receipt of evidence satisfactory to the Director that (1) a merger, consolidation, transfer of sugar-processing facilities, or other action of similar effect upon the allottees or persons involved has occurred, or (2) the allottee receiving such permission will process 1957-crop sugarcane which the allottee relinquishing allotment has become unable to process.

(d) *Exchanges of sugar between allottees.* When approved in writing by the Director of the Sugar Division, or the Chief of the Quota and Allotment Branch thereof, Commodity Stabilization Service of the Department, any allottee holding sugar or liquid sugar acquired by him within the allotment of another person established in paragraph (a) of this section, may ship, transport or market up to an equivalent quantity of sugar processed by him in excess of his allotment established in paragraph (a) of this section. The sugar or liquid sugar held under this paragraph shall be subject to all other provisions of this section as if it had been processed by the allottee who acquired it for the purpose authorized by this paragraph.

(Sec. 403, 61 Stat. 932; 7 U. S. C. 1153. Interprets or applies secs. 205, 209; 61 Stat. 926, as amended, 928; 7 U. S. C. 1115, 1119)

Done at Washington, D. C., this 26th day of April 1957.

[SEAL] CLARENCE L. MILLER,
Associate Administrator,
Commodity Stabilization Service.

[F. R. Doc. 57-3632; Filed, May 2, 1957; 8:51 a. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

[29 CFR Part 695]

HOMEWORKERS IN INDUSTRIES IN VIRGIN ISLANDS

NOTICE OF PROPOSED AMENDMENT OF PIECE RATES

Notice is hereby given that, pursuant to authority provided in section 6 (a) (2) of the Fair Labor Standards Act of 1938 and General Order No. 45-A of the Secretary of Labor (15 F. R. 3290), the Administrator of the Wage and Hour and Public Contracts Divisions, United States Department of Labor, proposes to amend the regulations relating to homeworkers in industries in the Virgin Islands, contained in Title 29, Code of Federal Regulations, Part 695, by revising Schedule C of § 695.12, entitled Piece Rate Schedule for the Doll Industry in the Virgin Islands, to read as follows:

SCHEDULE C—PIECE RATE SCHEDULE FOR THE DOLL INDUSTRY IN THE VIRGIN ISLANDS [1]

Design No.	Description of design	Piece rate (based on hourly rate of 55 cents)	Unit
	Native rag doll, man or woman (cutting cloth, sewing, and dressing doll):		
79	6-inch	$0.55	Per doll.
80	10-inch	1.10	Per doll.

[1] Piece rates based upon time tests conducted on dolls handled by the Virgin Islands Cooperative, Inc., of St. Thomas.

This amendment is necessary to reflect the appropriate piece rates to be paid commensurate with the new minimum hourly rate for this industry as recommended by Special Industry Committee No. 4 for the Virgin Islands (22 F. R. 2710). Prior to the final adoption of the above proposed amendment, consideration will be given to any data, views, or arguments pertaining thereto, which are submitted in writing to the Administrator of the Wage and Hour and Public Contracts Divisions, United States Department of Labor, Washington 25, D. C., within 15 days from publication of this notice in the FEDERAL REGISTER.

Signed at Washington, D. C., this 29th day of April 1957.

NEWELL BROWN,
Administrator.

[F. R. Doc. 57-3627; Filed, May 2, 1957; 8:50 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Parts 7, 8]

[Docket No. 11374; FCC 57M-421]

STATIONS ON LAND AND SHIPBOARD IN THE MARITIME SERVICES

STATEMENT AND ORDER AFTER PREHEARING CONFERENCE AND CONTINUANCE

In the matter of amendment of Parts 7 and 8 of the Commission's rules and to delete the frequencies 6240 kc and 6455 kc and to make the frequency 4372.4 kc available on a full-time basis for ship and coast stations using radiotelephony on the Mississippi River and connecting inland waterways (except the Great Lakes), Docket No. 11374.

A prehearing conference was held on April 23, 1957. The transcript is incorporated by reference. Among other things, the hearing which had been scheduled for May 21 was continued to Monday, July 8, 1957, at 10:00 a. m., in the offices of the Commission, Washington, D. C.

So ordered, This 29th day of April 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3625; Filed, May 2, 1957; 8:50 a. m.]

NOTICES

DEPARTMENT OF DEFENSE

Office of the Secretary of Defense

SECRETARIES OF THE ARMY, NAVY AND AIR FORCE

REDELEGATION OF AUTHORITY CONCERNING DISPOSAL OF REAL PROPERTY

APRIL 24, 1957.

On March 28, 1957, the Administrator of General Services delegated to me authority to accomplish the disposal of excess Defense real property having a value of less than $1,000 (22 F. R. 2265). On the same date he delegated to me authority to dispose of excess Defense real property located in Hawaii, Alaska, Puerto Rico and the Virgin Islands that has a value of $1,000 or more (22 F. R. 2266).

Pursuant to section 202 (f) of the National Security Act of 1947, as amended (63 Stat. 581), and section 5 of Reorganization Plan No. 6 of 1953 (67 Stat. 639), such authority as is vested in me by the forementioned delegations are hereby redelegated to the Secretaries of the Army, Navy and Air Force to be exercised in accordance with the conditions set forth therein.

This authority may be redelegated.

C. E. WILSON,
Secretary of Defense.

[F. R. Doc. 57-3601; Filed, May 2, 1957; 8:45 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Serial No. Idaho 04561]

IDAHO

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LAND; CORRECTED APRIL 5, 1957; HEREBY AMENDED

APRIL 26, 1957.

Wherein the applicant is stated to be, "The State of Idaho, Department of Fish and Game" in the first paragraph of Proposed Withdrawal & Reservation of Lands, Idaho 04561, dated March 11, 1957, as appearing in Volume 22, No. 53, page 1786 of the FEDERAL REGISTER on March 19, 1957, and whereas such publication was corrected by date of April 5, 1957, wherein the applicant was changed in identity, to the Bureau of Sport Fisheries & Wildlife, Department of Interior, and;

Whereas, it is hereby deemed necessary that the legal description of the Notice of Proposed Withdrawal be amended in such manner as to contain the area consisting of the bed of North or Mud Lake as delineated by the meander line shown on plats of survey of Townships 14 and 15 S., R. 44 E., B. M., Idaho, accepted on September 10, 1888, June 2, 1899, and September 15, 1950.

The total area of these lands as amended would be approximately 16,374.28 acres.

MICHAEL T. SOLAN,
Acting State Supervisor.

[F. R. Doc. 57-3602; Filed, May 2, 1957; 8:45 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

J. W. ALLEN & CO. AND H. S. THIELEN, INC.

NOTICE OF AGREEMENT FILED FOR APPROVAL

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15, Shipping Act, 1916 (39 Stat. 733; 46 U. S. C. 814):

Agreement No. 8212 between J. W. Allen & Co., New Orleans, Louisiana, and H. S. Thielen, Inc., Lake Charles, Louisiana, is a cooperative working arrangement between the parties under which they perform freight forwarding services for each other.

Interested parties may inspect this agreement and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of

this notice in the FEDERAL REGISTER, written statements with reference to the agreement, and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: April 30, 1957.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F. R. Doc. 57-3610; Filed, May 2, 1957; 8:47 a. m.]

GRACE LINE INC.

NOTICE OF APPLICATION

Notice is hereby given that Grace Line Inc. has made formal application under Title VI of the Merchant Marine Act, 1936, as amended, for operating-differential subsidy aid on the following services on Trade Route No. 33 for the periods hereinafter indicated:

A. During the interim period pending the opening of the Seaway to deep-draft ships:

Sailings with dry cargo vessels at approximately fortnightly intervals during the Great Lakes navigation season between United States ports on the Great Lakes and St. Lawrence River and foreign ports on the North Coast of South America including the Netherlands West Indies.

B. Following the opening of the Seaway to deep-draft ships:

1. Approximately weekly sailings with deep-draft vessels during the Great Lakes navigation season between United States ports on the Great Lakes and St. Lawrence River and foreign ports on the North Coast of South America including the Netherlands West Indies.

2. Approximately fortnightly sailings with deep-draft vessels during the Great Lakes navigation season between United States ports on the Great Lakes and St. Lawrence River and foreign ports in Cuba and other islands in the Greater Antilles.

Any person, firm, or corporation having an interest in such application and desiring a hearing on issues pertinent to section 605 (c) should notify the Secretary, Federal Maritime Board within fifteen (15) days from publication hereof and file petition for leave to intervene in accordance with the rules of practice and procedure of the Federal Maritime Board.

If no request for hearing and petition for leave to intervene is received within the specified time, the application will be processed without a hearing.

Dated: April 30, 1957.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F. R. Doc. 57-3619; Filed, May 2, 1957; 8:49 a. m.]

Office of the Secretary

PAUL D. VERDOW

REPORT OF APPOINTMENT AND STATEMENT OF FINANCIAL INTERESTS

Report of appointment and statement of financial interests required by section 710 (b) (6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: Mr. Paul D. Verdow.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Date of appointment: April 15, 1957.
4. Title of position: Chief, Forgings Branch.
5. Name of private employer: Ladish Company, 5481 S. Packard Avenue, Cudahy, Wisconsin.

CARLTON HAYWARD,
Director of Personnel.

MARCH 20, 1957.

Statement of Financial Interests

6. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Ladish Company.
Ladish Credit Union.
Bank Deposits.

Dated: April 26, 1957.

PAUL D. VERDOW.

[F. R. Doc. 57-3613; Filed, May 2, 1957; 8:47 a. m.]

HAROLD J. CARR

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of May 10, 1956, 21 F. R. 3127 and October 27, 1956, 21 F. R. 8245.

A. Deletions: None.
B. Additions: Allied Chemical & Dye Corp.

This statement is made as of April 20, 1957.

Dated: April 22, 1957.

HAROLD J. CARR.

[F. R. Doc. 57-3614; Filed, May 2, 1957; 8:48 a. m.]

ROBERT DE S. COUCH

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of June 1, 1956, 21 F. R. 3728 and November 6, 1956, 21 F. R. 8514.

A. Deletions: Standard Packaging, Willrich Petroleum Company.
B. Additions: General Foods, General Motors, Goguac Investment Club, Richwell.

This statement is made as of April 20, 1957.

Dated: April 22, 1957.

ROBERT DE S. COUCH.

[F. R. Doc. 57-3615; Filed, May 2, 1957; 8:48 a. m.]

HENRY BERRING

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of November 9, 1956, 21 F. R. 8706.

A. Deletions: No change
B. Additions: No change.

This statement is made as of April 29, 1957.

Dated: April 29, 1957.

HENRY BERRING.

[F. R. Doc. 57-3616; Filed, May 2, 1957; 8:48 a. m.]

GEORGE E. LAWRENCE

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of May 22, 1956, 21 F. R. 3393 and November 6, 1956, 21 F. R. 8514.

A. Deletions: No change.
B. Additions: No change.

This statement is made as of April 30, 1957.

Dated: April 30, 1957.

GEO. E. LAWRENCE.

[F. R. Doc. 57-3617; Filed, May 2, 1957; 8:48 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 8632]

TRANSCONTINENTAL, S. A.

NOTICE OF POSTPONEMENT OF HEARING

In the matter of the application of Transcontinental, S. A. for a permit to engage in foreign air transportation between Argentina and New York.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that the hearing in the above-entitled proceeding now assigned to be held on May 6, 1957, is postponed until May 10, 1957, at 10:00 a. m., d. s. t., in Room 5132, Commerce Building, 14th Street and Constitution Avenue NW., Washington, D. C., before Examiner Ferdinand D. Moran.

Dated at Washington, D. C., April 29, 1957.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 57-3636; Filed, May 2, 1957; 8:52 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 11945; FCC 57M-413]

BOROUGH OF LEMOYNE, PA.

STATEMENT AND ORDER AFTER CONFERENCE

In re application of Borough of Lemoyne, Pennsylvania, Lemoyne, Pennsylvania, Docket No. 11945, File No. 9350-PF-P/L-L; for authorization in the Fire Radio Service.

Pursuant to an oral motion of counsel for the protestant in the above-styled matter, and by agreement of all parties, a conference was held on April 24, 1957, at which time it was agreed that the following timetable should govern future proceedings:

May 10, 1957: Exchange of Exhibits.
May 17, 1957: Informal Conference.

Accordingly, it is ordered, This 25th day of April 1957, that the hearing in the above matter, presently scheduled for May 10, 1957, is hereby continued to a date to be established by subsequent order.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3626; Filed, May 2, 1957; 8:50 a. m.]

GENERAL SERVICES ADMINISTRATION

[DELEGATION OF AUTHORITY NO. 290]

SECRETARY OF DEFENSE

DELEGATION OF AUTHORITY TO DISPOSE OF CERTAIN GOVERNMENT-OWNED LAND

1. Pursuant to authority vested in me by the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended (hereinafter referred to as "the act"), authority is hereby delegated to the Secretary of Defense to conduct the screening of the Government-owned one-half undivided interest in 202.54 acres of Tract 18, Hitchcock NAF, Hitchcock, Texas, required by GSA Reg. 2-IV-202.05, determine the property interest to be surplus if no further Federal need is found by such screening and dispose of it by competitive or negotiated sale upon such terms as may be deemed advantageous to the United States. Provided, that in case of a negotiated disposal not less than the appraised fair market value plus the cost of appraisal shall be obtained.

2. The authority conferred herein shall be exercised in accordance with the act and regulations of the General Services Administration issued pursuant thereto.

3. The Secretary of Defense shall submit to the appropriate Committees of Congress an explanatory Statement of the type required by section (e) of the act, as amended. A copy of each such statement shall be furnished to General Services Administration.

4. The authority delegated herein may be redelegated to any officer or employee of the Department of Defense.

5. This delegation of authority shall be effective as of the date hereof.

FRANKLIN G. FLOETE,
Administrator.

APRIL 26, 1957.

[F. R. Doc. 57-3607; Filed, May 2, 1957; 8:46 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-12460]

PHILLIPS PETROLEUM CO.

ORDER SUSPENDING PROPOSED CHANGE IN RATES

APRIL 29, 1957.

Phillips Petroleum Company (Phillips), on April 1, 1957, tendered for filing a proposed change in its presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate, is contained in the following designated filing:

Description: Notice of Change dated March, 28, 1957.
Purchaser: Consolidated Gas Utilities Corporation.
Rate schedule designation: Supplement No. 14 to Phillips' FPC Gas Rate Schedule No. 19.
Effective date: [1] May 12, 1957.

In support of the proposed increased rate, Phillips states that the proposed rate is less than what is just and reasonable because of limitations imposed by the Mobile decision, that it will not result in an excessive return, that the proposed rate is less than the commodity value of the gas and is fully supported by exhibits which it introduced in evidence in Phillips' pending rate case, Docket No. G-1148, et al.

The increased rates and charges so proposed have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act, that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's general rules of practice and procedure and the regulations under the Natural Gas Act, (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge, and, pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until October 12, 1957, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(C) Interested state commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.[2]

[SEAL] HENRY R. DOMERS,
Acting Secretary.

[F. R. Doc. 57-3604; Filed, May 2, 1957; 8:45 a. m.]

[Docket No. G-12461]

ATLANTIC REFINING CO.

ORDER SUSPENDING PROPOSED CHANGE IN RATES

APRIL 29, 1957.

The Atlantic Refining Company (Atlantic) on April 3, 1957, tendered for filing a proposed change in its presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate, is contained in the following designated filing, which is proposed to become effective on the date shown:

Description: Notice of Change dated March 25, 1957.
Purchaser: Natural Gas Pipe Line Company of America.
Rate schedule designation: Supplement No. 5 to Atlantic's FPC Gas Rate Schedule No. 133.
Proposed effective date: [3] May 10, 1957.

[1] The stated effective date is the first day after expiration of the required thirty days notice, or the effective date proposed by Phillips, if later.

[2] Acting Chairman Digby dissenting.

[3] The stated effective date is the first day after expiration of the required thirty days notice, or the effective date proposed by Atlantic, if later.

In support of the increased rate, Atlantic cites the contract rate provisions, and that such pricing arrangements are common in the gas industry and are economically desirable to all parties.

The increased rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's general rules of practice and procedure and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge, and, pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until October 10, 1957, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(C) Interested state commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.[1]

[SEAL] HENRY R. DOMERS,
Acting Secretary.

[F. R. Doc. 57-3605; Filed, May 2, 1957; 8:45 a. m.]

INTERSTATE COMMERCE COMMISSION

[Rev. S. O. 562; Taylor's I. C. C. Order 84]

PITTSBURGH & WEST VIRGINIA RAILWAY CO.

DIVERSION OR REROUTING OF TRAFFIC

In the opinion of Charles W. Taylor, Agent, The Pittsburgh & West Virginia Railway Company, because of work stoppage, is unable to transport traffic routed over and to points on its lines.

It is ordered, That:

(a) Rerouting traffic. The Pittsburgh & West Virginia Railway Company, and its connections, is hereby authorized to divert or reroute such traffic over any available route to expedite the movement, regardless of routing shown on the waybill. The billing covering all such cars rerouted shall carry a reference to this order as authority for the rerouting.

(b) Concurrence of receiving roads to be obtained. The railroads desiring to divert or reroute traffic under this order shall confer with the proper transportation officer of the railroad or railroads to which such traffic is to be diverted or rerouted, and shall receive the concurrence of such other railroads before the rerouting or diversion is ordered.

(c) Notification to shippers. The carriers rerouting cars in accordance with this order shall notify each shipper at the time each car is rerouted or diverted and shall furnish to such shipper the new routing provided under this order.

(d) Inasmuch as the diversion or rerouting of traffic by said Agent is deemed to be due to carrier's disability, the rates applicable to traffic diverted or rerouted by said Agent shall be the rates which were applicable at the time of shipment on the shipments as originally routed.

(e) In executing the directions of the Commission and of such Agent provided for in this order, the common carriers involved shall proceed even though no contracts, agreements, or arrangements, now exist between them with reference to the divisions of the rates of transportation applicable to said traffic; divisions shall be, during the time this order remains in force, those voluntarily agreed upon by and between said carriers; or upon failure of the carriers to so agree, said divisions shall be those hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act.

(f) Effective date. This order shall become effective at 1:00 p. m., April 26, 1957.

(g) Expiration date. This order shall expire at 11:59 p. m., May 3, 1957, unless otherwise modified, changed, suspended or annulled.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., April 26, 1957.

INTERSTATE COMMERCE COMMISSION,
CHARLES W. TAYLOR,
Agent.

[F. R. Doc. 57-3633; Filed, May 2, 1957; 8:52 a. m.]

[Rev. S. O. 562; Taylor's I. C. C. Order No. 84-A]

PITTSBURGH & WEST VIRGINIA RAILWAY CO.

REVOCATION OF ORDER

Upon further consideration of Taylor's I. C. C. Order No. 84 and good cause appearing therefor:

It is ordered, That:

(a) Taylor's I. C. C. Order No. 84, be, and it is hereby vacated and set aside.

(b) Effective date. This order shall become effective at 9:00 a. m., April 29, 1957.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., April 29, 1957.

INTERSTATE COMMERCE COMMISSION,
CHARLES W. TAYLOR,
Agent.

[F. R. Doc. 57-3634; Filed, May 2, 1957; 8:52 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

HILDEGARD BAYER

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Hildegard Bayer, Regensburg, Germany, Claim No. 61027; Vesting Order No. 2492; $3,218.01 in the Treasury of the United States.

Executed at Washington, D. C., on April 29, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General, Director, Office of Alien Property.

[F. R. Doc. 57-3620; Filed, May 2, 1957; 8:49 a. m.]

ERNA JUNG ET AL.

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Erna Jung, Sao Paulo, Brazil, $563.32 in the Treasury of the United States.

Elsbet Jung, Sao Paulo, Brazil, $281.66 in the Treasury of the United States.

Sibyl Jung, Sao Paulo, Brazil, $281.66 in the Treasury of the United States.

Claim No. 64377; Vesting Order No. 10250.

[1] Acting Chairman Digby dissenting.

Executed at Washington, D. C., on April 29, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 57-3621; Filed, May 2, 1957; 8:49 a. m.]

HERTHA SPIEGEL

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Hertha Spiegel, Johannesburg, South Africa, Claim No. 45552; Vesting Order No. 899; $1,247.98 in the Treasury of the United States.

Executed at Washington, D. C., on April 29, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 57-3622; Filed, May 2, 1957; 8:49 a. m.]

MRS. L. L. DE ROOY-VERMEER

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Mrs. L. L. de Rooy-Vermeer, Schooldijk, Klaaswaal, The Netherlands, Claim No. 60644; Vesting Order No. 17837; $658.05 in the Treasury of the United States.

Executed at Washington, D. C., on April 29, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Officer of Alien Property.

[F. R. Doc. 57-3623; Filed, May 2, 1957; 8:49 a. m.]